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ABSTRACT

The National Workshop on Rural Development was sponsored by the U.S. Department of Agriculture (USDA), the American Association of Junior Colleges, and the American Vocational Association. The objectives were to help post-secondary schools find their role in rural development; to provide a forum for significant rural development issues; to develop a firmer liaison between USDA, the community colleges, and vocational educators; to further awaken government agencies and personnel to the potentials of education in rural development; and to identify priorities and courses of action. The following papers, which were presented at the workshop, were intended to play a key role in meeting the five objectives listed above: (1) "Why Rural Development"; (2) "Rural Development Is a Process"; (3) "Coalition for Rural America"; (4) "Population Trends, Patterns, Projections and Implementations"; (5) "Transportation and Communications for Social and Economic Development in Rural America"; (6) "Rural Housing and Public Service"; (7) "Education and Manpower Training"; (8) "Health, Recreation and Cultural Opportunities in Rural America"; and (9) "Planning for Area Development--Roles of Federal, State and Local Government." (FF)

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National Growth The Rural Component

Papers presented at the
National Workshop on Rural Development
October 18-20, 1971
at the University of Nebraska

Workshop sponsored by:
The U.S. Department of Agriculture,
the American Association of Junior Colleges
and the American Vocational Association

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The views and opinions expressed are those of the authors and not necessarily those of the U.S. Department of Agriculture.

FOREWORD

When the President established the National Goals Research Staff, he urged lively widespread public discussion of the issues which affect our common future.

In a very real sense, the National Workshop on Rural Development held in Lincoln, Nebraska, in October, 1971, was a part of such discussion. In asserting the key note of

the workshop, Assistant Secretary Thomas K. Cowden of the U.S. Department of Agriculture declared:

"Those of us who are concerned with the rural part of this country, who believe that the rural part of this Nation is the strength of this country, have reason to be concerned. As a Nation, we are now on the edge of developing national policies that will lead to more balanced growth. Rural development is a component of an overall policy of national balanced growth."

Education and training are only two aspects of the very broad rural component of a national growth policy but they can be potent forces in the shaping of tomorrow's



America. Recognizing this, the U.S. Department of Agriculture, the American Association of Junior Colleges, and the American Vocational Association joined in sponsoring the Nebraska workshop.

Their objectives were:

- To help post-secondary schools find their role in rural development
- To provide a forum for significant rural development issues
- To develop a firmer liaison between USDA, the community colleges, and vocational educators
- To further awaken government agencies and per-

sonnel to the potentials of education in rural development

- To identify priorities and courses of action

The papers presented at the workshop played a key role in meeting those objectives. It is the hope of Dr. Theodore Sidor, of USDA, coordinator of the workshop, R. Frank Mensel, director of governmental affairs at the AAJC, and Mary Allen, associate for governmental relations at AVA, that the publication of those papers will stimulate further productive discussions in the continuing development of a national growth policy that recognizes the vital potentiality of its rural component.



WHY RURAL DEVELOPMENT

*By T. K. Cowden
Assistant Secretary for Rural Development
and Conservation
U.S. Department of Agriculture*

As representatives of community colleges, vocational and technical schools, land-grant universities, local and State governments, you have a stake in and an opportunity to bring about changes in rural and urban America. I am confident that this meeting will bring about more coordination in these areas of need.

The plight and opportunity of rural America is a national challenge. How we meet this challenge and take advantage of the opportunities is of the utmost consequence to our future as a Nation.

Rural development is not an innovation. It has a long history. It goes back to the early days of the New Deal program of "land use planning" and similar programs.

During Secretary Benson's days, Under Secretary True D. Morse led quite an active program. Certainly, Secretary Freeman and Assistant Secretary John Baker, from the standpoint of the Department of Agriculture, worked hard on rural development.

We have done a lot of talking but much of it to ourselves. Yet we have tried to broaden our activities, working more closely with the Departments of Housing and Urban Development (HUD), Labor, Health, Education and Welfare (HEW), and Commerce, and now with you. Rural development is a process that must go further than the authorities of the Department of Agriculture. Let me indicate some of the problems that I see.

Present trends indicate that as many as 80 percent of the people in this Nation will live in four huge settlements by the year 2000: One, along the Eastern Seaboard, from Virginia to Massachusetts; two, in Florida; three, along the Pacific Coast from San Diego to San Francisco; and four, from Milwaukee through Chicago to Pittsburgh.

If this possibility would not complicate certain problems, there would be less concern about it. But there are many who say that our larger cities are already so big they are politically unmanageable, socially intolerable, and economically inefficient. Their congestion, crime, poor housing, and other problems are so complex they appear to defy solution.

At the other extreme, rural areas are continually being depleted of population. The last census indicates that half the counties in our Nation lost population in the sixties. As the people leave so does the ability to support the kinds of services the people would like to have.

Those of us who are concerned with the rural part of this country, who believe that the rural part of this Nation is the strength of this country, have reason to be concerned. As a Nation, we are now on the edge of developing national policies that will lead to more balanced growth. Rural development is a component of an overall policy of national balanced growth.

It will take imagination and a reallocation of resources to meet the objectives of rural development and balanced growth. I hope that policymakers of the community colleges and of vocational education will make a concerted effort to rectify the problems that are identified. Education is the backbone of our society and the schools with programs in the very heart of rural America can become an important cog in the machinery of rural development.

Times have changed. More is required of our youth and our workers. It is no longer sufficient to have a strong back and a willing mind. Skills must be taught that will fit people into a competitive, sophisticated job market.

Those who are attending this workshop face another important challenge—the involvement of local people in the identification of those problems they see as important. Nothing will happen in the local communities and rural areas of this Nation unless people who reside there want something to happen. The process of rural development must involve the people who reside in the thousands of local communities. Their leadership must learn the alternatives and opportunities available to them. When the people of these communities reach a point of decision, then they can make proper use of the private sector and government. The people, motivated to a point of action, join in partnership with their government to achieve the goals and objectives the people desire.

We are not asking you to undertake rural development alone. A national commitment is forming. Our President said, "The revitalization of rural America is one of the important objectives of my Administration."

Our Congress, under Title IX of the Agricultural Act of 1970 committed itself to a sound balance between rural and urban America. It declared: "The Congress considers this balance so essential to the peace, prosperity and wel-

fare of all our citizens that the highest priority must be given to the revitalization and development of rural areas."

Secretary of Agriculture Clifford M. Hardin said, "I ask each agency in the Department to give aggressive leadership and assistance to the rural development program."

In its report, entitled "A New Life for the Country," the President's Task Force on Rural Development commented extensively on the ingredients of rural development: "Job creation . . . improved community services . . . better quality of living . . . improved social and physical environment . . . a correcting of weaknesses and consolidation of strengths of individuals through their own institutions."

This report of concerned and leading citizens comments on the critical desire factor that I mentioned, asserting that rural development as a communitywide action program "cannot start unless the local people want it, and it cannot succeed unless local leaders aggressively promote it."

There are other important recent developments. In addition to the Task Force, the President created the Rural Affairs Council which subsequently became an important part of the Domestic Council. Rural community development is one of six revenue sharing proposals. Regardless of what you think of revenue sharing, this proposal puts rural development in company with which it has never been before.

The President's reorganization program would establish a Department of Community Development and give a prominent place to rural development.

Add to that the fact that we have a Rural Development Subcommittee of the U.S. Senate headed by Senator Humphrey with Senator Dole, Chairman of the Republican National Committee, as a member.

The U.S. Department of Agriculture, in 1970:

- Committed more than 3,200 man-years to this effort;
- Established 50 State rural development committees and 2,274 area and county committees; and
- Conducted 89,000 workshops, conferences, and meetings and 22,265 surveys and feasibility studies.

The funding of USDA principal rural development programs in Fiscal 1972 (primarily through FHA) is estimated at more than four times the Fiscal 1961 level—at \$2.7 billion as opposed to \$575 million. It is twice the \$1.4 billion of Fiscal 1969.

While rural development is receiving renewed, and perhaps unprecedented emphasis, USDA has been responding to the needs of local communities ever since President Lincoln called it "The People's Department."

USDA's commitment was most recently reiterated in the Secretary's Memorandum No. 1667 of November 7, 1969, which said the staff will:

1. Support and guide local leadership to determine the direction for development of its community;
2. Provide appropriate help to local groups in carrying out their development plans; and
3. Assist local leaders in establishing appropriate liaison with other agencies and organizations, both public and private, who can contribute to the development of their communities.

USDA's delivery system, also spelled out in Memo 1667, called for the establishment of a USDA committee for rural development in each State. Members would include representatives of six agencies: Forest Service, Soil Conservation Service, Farmers Home Administration, Rural Electrification Administration, the Cooperative Extension Service, and Economic Research Service.

At the national level, overall rural development activities are headed by a Deputy Under Secretary for Rural Development and a rural development committee consisting of the administrators and deputies of the agencies just mentioned plus the Farmer Cooperative Service.

Looking at rural development, there are two broad areas—people and economics. It is extremely important that we have equal services for people regardless of where the people live—in the city or in the country. This includes equal opportunity for education.

Many of the problems of the Nation could have been avoided if all citizens a few years ago had had equal access to education, health, and hospitals.

The other side of the coin is economic. In some areas, a prosperous agriculture is essential; in others, that is not possible. Rural development is not confined to agriculture but touches all aspects of life in the whole nonmetropolitan area of the country. In economic development, private enterprise is very important. Jobs are necessary to rural development.

Economic development, too, requires training people to provide a good labor supply in the communities.

Rural development, too, is more than turning rural America into a seasonal playground for the rest of the people. To train people as waitresses to work during the vacation period is all right, but to have a prosperous rural America, we need more than one or two short work seasons in a year.

In conclusion, I would like to read the following quotation:

"It sickens me to look back on America. I am sick to death of the constant fuss and tumult and excitement and bad blood which keeps us about political subjects. If it were not for my children, I should probably never return, but—after quitting office—should go to Italy and live and die there—but it will never do to deprive them of their native land, which I hope will be a more comfortable and happy residence in their day than it has been in ours. In my opinion, we are the most unhappy people on earth."

This letter was written by Nathaniel Hawthorne in 1854 after spending 2 years in Europe. The same letter could have been written today. They had problems then too.

I am encouraged by the fact that we are recognizing the problems and you are here—willing and eager to unite in solving one of America's most pressing problems.

To me this is a great time to be 18 years old. The opportunities and the challenges tell me that the most productive and exciting time in history is here. I hope you feel the same and will make this meeting the springboard to a concerted effort to resolve the challenges we have before us.

RURAL DEVELOPMENT IS A PROCESS

By Dr. Henry L. Ahlgren
Chancellor of Extension
University of Wisconsin

Every time I have an opportunity to appear before an audience I am reminded of a story that illustrates how very, very difficult it is to really communicate with people. I think each and every one of you has had an experience where you think you are understood or that you understood what was said, when in fact you didn't get the point at all. I'm going to tell that story this morning to make the point of how difficult it is to really communicate with people.

This is a story of a conversation that goes on between a clerk at the desk at a hotel, the person that registers you in, and someone who calls in on the telephone. The story starts at 8 o'clock in the morning when the telephone rings in the hotel lobby and the clerk answers the phone and the voice at the other end says, "What time does the bar open?" Now that's a fairly simple question and it ought to have a straightforward answer that could be understood. The clerk at the desk said, "The bar opens at 2 o'clock." This seems to be a rather straightforward answer. Half an hour later the phone rings again—the same clerk—the same voice—the same question, "What time does the bar open?" The bar opens at 2 o'clock." Every half hour all morning this goes on and of course the clerk was getting more exasperated every time the phone rang and this question was asked. About 11 o'clock the phone rang again and the clerk answered—same voice, but this time quite slurred, "What time does the bar open?" Well, the clerk had had it. The

clerk said, "For the last time I'm telling you the bar doesn't open until 2 o'clock. Besides that, it seems that you've already had too much to drink. I'm telling you, you can't get in until 2 o'clock." "Well, the voice said, "I don't want to get in, I want to get out." So I'm going to try to cover my subject as quickly as I can this morning. There are three points, and only three, that I am going to try to make. One, the first one, the situation that confronts our Nation today in the particular area of the interest of this conference; (2) the political climate in which we are now operating, and (3) rural development—a definition and process involved if we are really going to get the job done in this country. These are the three things I will try to cover as quickly as I can.

I think those of us who are interested and concerned in the future of our Nation—I guess all of us would indicate that we are—if we had a philosophy, a base from which we could operate, perhaps the words of the late Charles F. Kettering would be a good takeoff point. This is what he is quoted to have said at one time. "Nothing ever built arose to touch the skies unless some man dreamed that it should, some man believed that it could, and some man willed that it must." I think this would be a very, very good working philosophy for all of those who are interested in the future development of this great Nation of ours.

My own concern has been with rural America all my life and I guess I continue to have that concern because in my judgment, in my view, and I know that this view is shared by many others, that if present trends in our Nation regarding the movement of people continue as they have in the past—by that I mean more and more people moving to fewer and fewer larger places—if this trend continues, then in my judgment this Nation is on a collision course with disaster. And it is because I believe that so firmly myself that I have devoted so much of my time the last few years to this particular area of concern.

If you look at our America today—the Assistant Secretary I think painted a pretty good picture last night—what do you see? In the first place you see 73 percent of the people of our Nation now living, by definition, in urban areas. That percentage is increasing every hour of every day. You see situations developing in some of our larger cities that suggest nothing but trouble and difficulty. If you look at the large cities of America today, cities such as New York and Chicago, Los Angeles, Philadelphia, and perhaps others, what do you see? you see situations developing which can be categorized about as follows: They are said to be places which are becoming socially intolerable as places to live, they are politically unmanageable, and they are economically inefficient . . . the problems of transportation paralysis, pollution, housing, crime, and crowding.

There was an article in the Readers Digest, I think in the August issue, addressed to the subject of "Can Our Large Cities Survive?" Three experts responded. One said, "Yes." One said, "No" and one said, "Yes, maybe." So if the population of this country is to increase in the future as is predicted—somewhere in the neighborhood of 60 to 75 million more people by the year 2000—the question can well be asked, "Where are these additional people going to reside?"

If you look at the other side of the coin, rural America—65 million people live there. Many of them underemployed, many, many more unemployed. There is no opportunity for them. So they make the decision that they, too, must join those who have left before and move to large urban areas where they are ill prepared to earn a living. There is some business in rural America—some industry—but not enough. It's comforting to me to look at the statistics and see that the trend is in the direction of the dispersal of industry into rural America, but obviously there are going to have to be incentives of various kinds to promote that. In rural America, too, are America's farms—2,800,000 of them—the best farms in the world—owned and operated by the best farmers in the world. Farmers of this Nation who have made it possible for us to say, as no place else in the world, that portion of the Lord's Prayer which says "Give us this day our daily bread" has been answered here. I hope that rural America will always be attractive enough so that there will be enough people who want to live out there to supply our Nation's needs for food and fiber. When you see what is happening, you see that half of all the counties in our Nation lost population during the last decade; three-fourths of them either lost or did not gain. The question is—how long can that continue, and if it does, how can amenities be provided for those who want to live out there?

In rural America, too, are the mineral resources and the fossil fuels of this Nation, our forests, our fish and our wildlife, our lakes and streams, our scenic values, opportunities for recreation development, places where one can go for elbow room and self-renewal, which every human being needs. It's my own judgment that rural America is the truly underdeveloped part of the most developed Nation in the world. And it's because I believe that so firmly that I think something can be done about the problems that confront our Nation.

I, myself, feel that up to now in our Nation we have had a lot of rhetoric—there's been a lot of talk, there's been a lot written, a lot of reports that many of us have had to prepare. But there's been very little action. The time has come now; I think, when there is a consensus in this Nation in places where it counts that truly this Nation is on a collision course with disaster and unless we can begin to develop and implement policies that will result in a better balance in the distribution of our population, we are confronted with that disaster. I think this is understood now in the Executive Branch. Again, the Assistant Secretary last night and I won't take the time to do it here this morning, reviewed the kinds of things that have happened in the White House and also the kinds of thinking that are going on in the Congress at the moment aimed at trying to slow down, hopefully even reverse, the movement of people from rural to urban areas. The 1970 Congress, for the first time in the history of this Nation, so far as I know, in the Agricultural Act of that Congress included a Title IX—headed Rural Development. That Title begins with the Preamble to Congress of the United States, and considers the need for a better balance in the distribution of our population so great that the highest priority must be given to the development of policies and programs that will result

in a better distribution of our population. It's the first time the Congress has said that.

So I think we're dead serious now about this at the national level. And I guess in a democracy we can't expect anything better than has happened—because if you will look at our recent history it seems to me that a crisis has to develop before action follows. And we are in, I believe, the early stages of that crisis now. So I believe personally that this is the time, this is a good time for people such as are assembled here, to get together and to begin to plan the kind of course of action for our communities that must be planned.

Now, Mr. Chairman, I would like to spend the rest of my time—and I realize that I am taking away from the workshop groups—on the general subject of rural development. We have been struggling hard I would say to find a definition as to what rural development really is and I'm not sure that we have yet reached a point of true consensus. I think since the time that the phrase was first coined by Mr. True Morse, who was Under Secretary of Agriculture in the Eisenhower Administration, about 1954 or thereabouts, that most of those who have been interested in becoming involved in rural development have looked upon rural development as a program. We talk about



the rural development program and most of the literature that has been written on this subject to date will refer to it that way—Rural Development Program. Well, now, that's a pretty dangerous way to proceed in Washington. Because as soon as you start talking about programs then the agencies start jockeying to see who can be tapped on the shoulder to run them—to get the money. That has pretty much been the history of rural development in Washington up til now. Various agencies in the Department of Agriculture are trying to convince the Secretary, for example, that their agency is the only agency who can handle this operation. Now that's pretty well settled now in the Department of Agriculture, I think. The game now is between the Departments; trying to convince the President that there are Departments, for example, better prepared to do this than the Department of Agriculture or some other Department. This is the level of jockeying that has been going on this past year.

I want to say to you here this morning that rural development is not a program. Rural development is a process and I tried to get by with that definition at the meeting of rural sociologists out at Denver this summer and I didn't get very far with them. But they got me to agree that if I'd add three words they would accept the definition. They felt that if we said that rural development was a process with a purpose—I suppose that would read better in their journals, I don't know. But I could ask the rural sociologists, then, if we were to go on that road—what purpose? We look upon rural development as a process, ladies and gentlemen, and I think we have come to accept that pretty much, at least in the Department of Agriculture. It is a process that involves all levels, all agencies, all levels of government and all of the resources and all of the expertise of all levels of government. The Federal government has significant contributions to make, the State government has significant contributions to make, and the local government has contributions to make. All have contributions to make and if any one level of government thinks that it can do it, the process is doomed to failure. But beyond that the process involves the private sector because it is going to involve capital development, and it will be to the private sector that we will need to look for most of the resources that will implement that part of the operation.

Government can assist to a degree, but not totally. Only to a degree—a very small degree. But most important of all—the process involves the people who live in the thousands of communities, that comprise rural America. That's where the action has to take place. That's where developments must occur. And it's only going to be that developments will take place out there if local people want them to take place. Nothing will happen in any rural community in America—no matter how many government resources are available, no matter how much private capital is available—nothing is going to happen in a rural community unless the people who live there want it to happen.

This is where we come in. This is where a group like this comes in—at least the educational component of this group. Here is where we have skills and talents in education that have the capacity to identify local leadership, that have the

resources behind us to provide local people with the kind of information they need to make the right kind of decision—this is where the educational component has a role to play. And as the Secretary said last night, if the grassroots begin to put pressure on their elected representatives, pressure that represents the kinds of needs that are there, then action is likely to follow. This is what rural development is all about. Rural development is a process that involves all the expertise in the government—Federal, State, and local—the private sector, and the people who will be the beneficiaries of anything that might happen in their communities.

I said earlier that no one level of government or no one agency within any level of government has the skill and resources to implement rural development throughout the Nation—that all of us are involved. I think the same can be said of our educational institutions. Every single one of them, whatever they are, whether they be full-fledged universities, junior colleges, vocational training institutions, whatever they are—all have contributions to make this very important process of rural development and I expect that we recognize that the skills of many of you who are here today can be used effectively in the communities in which you serve that this workshop is being held. As far as the Department of Agriculture is concerned, I think it's geared and ready to go. The Secretary of Agriculture himself is totally committed to rural development. The agencies in the Department of Agriculture are totally committed to rural development.

The Department itself has created a Rural Development Service which is a coordinator of the Departmental efforts in this area. The Rural Development Committee consisting of agency heads of the Department of Agriculture has been established in every State. (I believe Jack Adams is Chairman of the Nebraska committee.) Every State has a Rural Development Committee. The job of that committee is to do whatever it can in every State to encourage rural development. Beyond that a very large number of counties in our Nation, I think something like 2,200, have either county committees or area committees. The organization is pretty well set up. Many States have set up committees in which the Governor's office is involved in the rural development Operation. Many Governors have become interested in this. Now it seems to me that those of you who represent the nonagricultural sector of this conference, if you have ideas, if you have skills, if you have talents, if there are things you think you can do in the communities in which you reside, the best suggestion I have at this time would be for you to get in touch with your State Rural Development Committee and use that committee to help you to achieve your own goals and objectives.

Now let me say as the Assistant Secretary did last night that this is one of the important meetings going on in our Nation today. This is a time, it seems to me, with a Nation in distress, a Nation confronted with many problems, a Nation that needs the service and dedication of those that can provide it—this is a time for all those people to attend tall, to think tall, to smile tall, and to live tall. I hope that is the goal and objective of all of those of you who are here.

COALITION FOR RURAL AMERICA

*By Richard Moore
of the Coalition for Rural America*

This morning I bring you greetings from Governor Rockefeller, Governor Breathitt, Governor Tieman, and Governor McNair. I think you recognize that is a nice bipartisan group representing different political positions on the liberal-conservative spectrum.

The Coalition for Rural America is an idea that has appealed to many persons for 15 or 20 years. It's been attempted on several occasions. On September 8, the Coalition for Rural America was formed with 11 former governors, distinguished representatives of government, labor, business, the professions, education, and agriculture. For a month they have been planning, working, and trying to raise money. The first Executive Committee meeting will be held on Friday. Our goal is \$150,000 in the first 6 months which we hope to raise from within the Board.

Former Governor Tieman of Nebraska serves as President of the Coalition, former Governor Breathitt of Kentucky is Chairman of the Board. Governor Rockefeller is Executive Vice President; R. B. Patterson of Georgia serves as Treasurer. Mark Freeman, who used to be with the Urban Coalition, and E.D.A., is our Executive Director.

We just wanted a moment or two this morning to just let you know—if you somehow didn't know that the Coalition had been formed—to let you know that it is in the process of developing an organization, of developing membership. It is so young that as far as formal membership policy is concerned, we have none yet. Theoretically if anyone gives

us a dollar, we are willing to call you a member. I have some literature that I will be handing out to you this morning if you want it, on the Coalition, but I would like just very briefly to state the goals of the Coalition as they were established by the Board on September 8th.

We are strongly in support of the structure of agriculture that includes prosperous family farms and economically viable marketing and processing systems based in rural areas. In building rural America, our aim is to see that development is consistent with the preservation and enhancement of a quality environment. We are concerned not just with the aggregate development of the rural economy, but with eliminating the causes and ameliorating the effects of rural poverty through such measures as welfare reform and public service employment.

We are committed to the principle of equal concern for an equal involvement for all people of rural America without discrimination on any basis.

And finally the Board is planning a national conference in the spring of 1972 that will bring the problems of rural America to national attention and provide a forum for national leaders to express their views on rural development and balanced national growth. For that conference, we now have commitments from a majority of the Presidential contenders and by the time of the conference we hope to be able to say that all the major Presidential candidates will be present.

The Coalition for Rural America is a lobby group. There are no ifs, and, or buts about it. It is a nonprofit corporation. It is not tax-exempt. As the Assistant Secretary said last night, rural development has become a political issue and we are trying to deal with it in exactly that manner.



POPULATION TRENDS, PATTERNS, PROJECTIONS, AND IMPLEMENTATIONS

INNOVATIVE STRATEGIES FOR RURAL DEVELOPMENT

By Earle W. Moore

Director of Development

South Carolina State Committee for Technical Education

The urbanization of America has produced many profound and overwhelming problems. While there are numerous volumes available which paint exceedingly disturbing pictures of the Nation's population problems, especially those problems related to the cities, very few imaginative solutions have been developed or proposed. It seems appropriate, however, that this Conference should, very early in the program, begin probing for some solutions.

In order to establish a positive atmosphere, I have chosen to present to you some concepts which have proved workable in South Carolina, my home State. In addition, I have researched the available literature for additional ideas which seem to have a great deal of merit. You may accept these for replication, expand upon them, or reject them as you see fit.

Before we can evaluate any proposed solutions, we must make certain that we have the problem in sharp focus. The root causes of our population problems are in our rural areas. The cities just happen to be where the problems

come to a head.

Mechanization and improved productivity have drastically reduced farm labor requirements, which has reduced employment opportunities in the rural areas. Of interest also, is the fact that our rural people have larger families than the general population. Increased levels of educational attainment, increased population mobility, the influence of television, and the national concern for equal opportunity, all have created the need and the desire for a better quality of life than the rural places have been able to provide. Rural areas have not been able to generate, either from private or public sources, the resources required to provide the necessities or the amenities required by a modern society. As a result, there has been a steady flow of the rural population to the cities in search of a better life. You are well aware of the consequences.

Now that we have the problem in perspective, let us look at some possible solutions.

Professor Joseph J. Spengler, at the 1970 Conference on Populations Priorities for Commerce and Industry, said that the strategic location of industry can control the ultimate location of people. He further stated that this is one of the greatest challenges facing corporations today.¹ People follow jobs, people follow people, and money and political power follow people. State governments and the Federal government must take a strong hand in inducing industry to locate where population and economic growth are desirable and feasible.

The late A. Wade Martin, former Director for the South Carolina system of Technical Education, who had received national recognition as a rural industrial developer, insisted that post-secondary vocational technical schools and community colleges should be located in areas where there is potential for industrial development. These institutions can, by providing trained manpower, become a stimulus for agricultural and industrial development. It is of the utmost importance that the location of these institutions be the result of a logical, well-substantiated decision. They must not be located in an area simply to appease the local political power structure.

The founders of our system of technical education also used wise judgment and imagination by creating an industrial schools division at the State level. This program, cooperating closely with the S.C. Development Board, provides short-term industrial training, designed especially to meet the needs of new and expanding industries. The program has transformed literally thousands of our unemployed and underemployed rural citizens, who had no prior nonfarm employment, into productive industrial employees. In addition, this program maintains an industrial coordinator at each local center, who provides technical support to industries in the local community.

Any plan for rural development must provide for the special needs of the rural poor, who are ill-equipped for the competitive, rigorous life of the city. They need special assistance in job development, low income private housing, education and manpower training, child care, transportation, and health care services. In addition to the provision

of these services, there must be an effective delivery system for these services.

In South Carolina the Farmers Home Administration has been quite effective in providing low-cost private housing. During Fiscal Year 1971, over 8,000 rural families who could not have otherwise owned their own homes were provided with new houses. Our State led the Nation in the number of Farmers Home Administration loans. By using the cluster or village concept, it has been possible to provide services, such as those referred to above. In a widely dispersed population, the delivery of services is an exceedingly difficult problem.

Another imaginative program in South Carolina which is concerned with rural development is our rural Concentrated Employment Program. With the State Committee for Technical Education serving as prime contractor for the U.S. Department of Labor, this program links together the services of several State agencies to provide education, training, health, and job-placement services to the rural poor. Essentially, the program ferrets out the unemployed and underemployed, assesses their capabilities, and refers the individuals to a job, to a work experience program, or to education and job-training programs. To date, this program has provided services to 4,335 disadvantaged persons during the past 3 years.

The rural electric cooperatives in South Carolina sponsor a program of community and industrial development in rural areas. The vehicle for this effort is a local Stand Tall Commission. The Commission is composed of outstanding local leaders and a full-time staff member of the local cooperative who functions as a development specialist and as advisor-assistant to the Chairman of the Stand Tall Commission.

These Commissions work toward meeting local needs such as housing, water and sewage, education and job training, medical facilities, road, and recreation facilities.

The U.S. Department of Agriculture has given recognition to this program as an outstanding example of rural community development. The program is described in a pamphlet entitled "Action Now—South Carolina Shows the Way." Copies of the brochure are available upon request from our office.

The decline in agriculture employment should reduce the number of programs and the requirement for teachers of vocational agriculture at the secondary level. Conceivably these displaced teachers of vocational agriculture, who are strong rural community minded individuals, might be trained by the universities to become specialized rural community developers. They could be employed by community colleges and technical institutes to fulfill this role and to meet the need for local expertise in rural development.

The Coastal Plains Regional Commission and the Appalachian Regional Commission, both of which are Federal-State partnerships, have been excellent programs for the stimulation of the development of the rural South. They have provided needed resources for education and manpower training, highways, health care facilities, and

recreational facilities. Not the least of their contributions has been the provision of funds to strengthen planning capabilities for rural development.

The potential of rural America as a place of recreation remains unexploited. Millions of our citizens, who have not yet seen the beauty of our rural places, spend vacations abroad, taking American dollars with them, simply because the rural areas have not developed an effective competitive pulling power.

The Great Smokey Mountain National Park was developed with a gift from John D. Rockefeller, lands contributed by the States of North Carolina and Tennessee, and supplemental funds from the Federal Government. This remote place in the Appalachian Mountains was unknown and unheard of by most Americans in 1930, when the park was created. Today, as a result of the combined investments of government and private resources, this rural place is one of the most frequented parks in the United States. These tourists spend millions of dollars each year in this rural area which has long been identified as a place of poverty.

During the decade of the sixties, the Nation's attention was focused on the problems of the cities by the riots and demonstrations which were vividly portrayed on national television. The Congress responded with more aid to the cities, in the form of such programs as Model Cities. These programs have been of some help, but do not hit at the heart of the problem.

It is not the intent of this presentation to suggest similar strategies. However, it needs to be asserted here that both the problems and the opportunities of rural America must be brought into proper perspective. The rural poor are neither audible nor visible, yet their problems are more acute, in many instances, than the problems of the urban residents. Two-thirds of the substandard housing is in rural America. Nearly 20 million rural houses lack plumbing. Infant mortality is higher than the national average. Education is of lower quality and health care is tragically inadequate. Transportation to work and to education and training centers is virtually absent.

The Congress must be encouraged to support new legislation to assist in rapid rural development. This legislation must consolidate and streamline programs which are far too complex, with program administration fragmented among several Federal agencies.² Procedures for procuring these funds are not understandable by the mayors and employees of small rural towns. Local funds are not available for the employment of expert grantsmen.

It is the intent of this presentation to infect this group with a virulent evangelistic rural development fever which will spread throughout America. Hopefully, the Administration, the Congress, and the local governments can recognize that the time has come to stem the tide of rural out-migration to the cities.

¹ *The Charlotte Observer*, October 23, 1970.

² *A New Life for the Country*. The report of the President's Task Force On Rural Development. March 1970, p. 13.

SOME IMPLICATIONS OF POPULATION TRENDS

By Riley S. Dougan, Assistant Director
The Cooperative Extension Service
The Ohio State University

There is danger in "overgeneralizing" with regard to population trends and their implications. Much has been said in recent years about the rapid shift in population from rural to metropolitan areas. This concern can be summed up by noting that in the last decade nonmetropolitan counties in the United States grew in population by 6.7 percent, while metropolitan counties gained 16.6 percent. Experts are of the opinion that natural increase rates are rather similar between these two groups. It is a clear and accepted fact that nonmetropolitan areas were unable to retain all their potential growth and, in fact, did export large numbers of people to the metropolitan areas. It is estimated that this has amounted to a net of about 2.4 million outmigrants during the period between 1960 and 1970.

The slower increase in population in nonmetropolitan areas can be attributed largely to farm population declines. If we subtract the farm population, with its very great downward trend, from the total nonmetropolitan population, we find that *nonfarm, nonmetropolitan* population rose by 19 percent during the last decade. This was greater than the national average and was even greater than the metropolitan average. The heavy decline in farm population has tended to cover up more rapid growth of the nonfarm segment of rural and small city population.

Figures from the Economic Research Service of the USDA show that in the past five decades U.S. total population has nearly doubled (from 106 to 204 million), urban population has nearly tripled (from 54 to 149 million), rural population has remained steady at about 50 million.

Perhaps an even greater concern is the distribution of population trends during the last two decades. During the 1960's, 1,350 counties had so much outmigration that they actually declined in population. This is better than the 1950's when 1,500 counties showed a decrease. These declining counties are heavily concentrated in the Great Plains and the Corn Belt, in the heart of Appalachia region and in the Southern Coastal Plains. The great majority of rural counties in the Northeast, the East-North Central States and the Far West gained both in the 50's and 60's.

Many other things could be said about population trends, but perhaps this is enough statistics.

Let me interject here that I in no way pose as a population expert. Any qualifications I might have in this area are based on the experience of working with community leaders in the small urban communities who are in the business of making decisions to improve their communities... many of which have changed and are changing drastically due to shifts in population.

With this very brief introduction and apology, I would like to spend the remainder of my time exploring briefly some possible implications resulting from these trends:

Implication No. 1: The effect of population change on a community will vary according to geographic location under consideration. May I illustrate by using Ohio as an example? In Ohio there are 14 large metropolitan cities, fairly evenly distributed throughout much of the State. Every citizen is within 50 miles driving distance to one of these major metropolitan centers, and most are within 40 miles driving distance.

Now if we are going to have a viable community, there has to be a place within a reasonable driving distance for people living in that community to work—and also it has to be a community that is indeed quite livable.

In Ohio it might be quite reasonable for those involved in community decision-making in small urban areas to concentrate proportionately more time in the areas associated with making the community more livable and less on acquiring industry—although a large percentage of community leaders in small urban areas will tell us that getting industry still is their number one problem. There is a great desire to have industry closer than an hour or so from where people live. Even so, in parts of the country maybe we can deal more with matters pertaining to community services and questions with regard to tax base and other concerns of this nature that relate to "livability" of the community, and in other parts of the country maybe we need proportionately more time in industrialization opportunities insofar as small urban communities are concerned. On the other hand I know it's hard to separate the question of employment from other aspects of community life. My point is this: I think all communities need to be interested in industrialization and other aspects of employment, but the lack of these opportunities in small urban centers may not be as devastating in some parts of the country as it is in other parts where the major population or industrial center is 100 - 200 or 300 miles from small towns under consideration. I'm not saying that community problems are not as great or even greater in the more densely populated areas, I'm merely suggesting that the problems in the two different situations may be of a different nature and this needs to be recognized in conducting educational programs.

Implication No. 2: When the population of a community decreases, the remaining population tends to be older. This merely says that it often is the younger families of the wage-earning age who tend to move out into other areas. In these situations we may need to be concerned more with such problems as types of special services, how to pay for these services, wage rates, tax base, and the like—and perhaps in a different way than in those communities of a growing and younger population.

Implication No. 3: Perhaps No. 3 is related to No. 2. It is my observation that a community that is losing population frequently tends to exhibit a defeatist attitude. Generating interest among the leadership toward making progress is indeed sometimes a very great challenge. As with many other areas of life, it seems to me that success tends to breed success and defeat tends to breed defeat. Those of us who are in the business of identifying and working with community leaders have perhaps our greatest challenges in

areas that are losing population. Perhaps one of the things that we can do best for such communities is to demonstrate to them that better things can happen. We need to offer opportunities that are realistic and are within the realm of a possibility of achievement.

Implication No. 4: Educational achievements tend to be lower in areas of outmigration and where the population is declining. Teachers' salaries are lower, and there tends to be lower standards set by the community. Fewer alternatives are available for the high school students. There doubtless are several implications to this implication that you may wish to discuss later.

Implication No. 5: Health and medical facilities tend to be in a much more critical supply in those areas that are experiencing outmigration. According to unpublished data from the National Center for Health Statistics, Public Health Service, there seems to be evidence that there is a definite relationship between illness and income. The following quote is taken from the publication "The People Left Behind"—a report by the President's National Advisory Commission on Rural Poverty: "Rural persons also have higher rates of injuries than urban residents, have more days of restricted activity, and lose more days from work due to illness and injuries than the urban counterparts. Injury rate from motor vehicle accidents is highest among rural nonfarm residents because the rural poor do not have access to appropriate health services early in the illness. The result is much greater disability. Regardless of income, rural residents average fewer visits by physicians per person . . ." According to the report, although about 30 percent of the total population still lives in rural areas, only 12 percent of the physicians, 18 percent of the nurses, and 14 percent of the pharmacists serve these areas. Eight percent of the pediatricians and less than 4 percent of the psychiatrists are located in rural areas.

Implication No. 6: From my observation it seems to me that the ability to finance public facility development is much more acute in areas losing population. This ranges all the way from sewer and water facilities to library and other important facilities for the total development of the individual.

Implication No. 7: Many of the important community improvements are quite closely related to the tax base and the ability to support services. Payment for needed additional community facilities and services will come primarily from increasing the *industrial base* or from increasing *personal incomes*, or from *taxes on goods and services* that are consumed by people either living in the area or passing through. If major improvements are to be made in community facilities and services, every community needs to determine forthrightly what improvements are *most* important and how that community is going to pay for them. This is a very real and critical problem in communities losing population.

Implication No. 8: It has been said that one of the characteristics of an area losing population is that the quality of the local government is lower. This may be the case, although I haven't found a good measurement for this. In any event, the quality of government and what might be

done about it should be a major item of discussion and decision making in those areas losing population.

Implication No. 9: There would seem to some advantages one might find in communities with a small and declining population. It has been said that the air is cleaner, there is less concentration of people and, hence, less pollution; there is less congestion, less traffic, less pressures resulting from living close together. There is evidence of increased individual responsibilities as populations are smaller; people tend to keep an eye on each other. There is more chance of individual identity. There well may be other pluses.

My intent here has not been to exhaust all the implications of population shifts but rather to suggest some very real and great opportunities for development in communities, especially in less highly metropolitan areas.

There are also many great opportunities for community development in those areas that are increasing rapidly in population growth. *The problems associated with rapid urbanization likely are more acute in many instances than those I have been talking about.* There are many growing communities in rural areas that have real problems associated with that growth. Every community is slightly different from every other community just as individuals are different. Therefore, the implications are different and must be looked at community-by-community.

It's not really then the population figure that is of overriding importance at any point in time. Rather it's taking whatever the situation is and determining the most feasible alternatives to meet *that* situation. It's just like the fact that there are many good farms in poor farming areas that are quite productive and profitable and some poor farms in excellent farm areas that don't make a dime.

Some mechanism needs to be set up community-by-community for getting the major problems identified and for directing concentrated attention on the most urgent needs whether or not they result from a rapidly decreasing population, a stable population, or an increasing population. This country is full of resources that can be brought to bear on a problem once that problem is identified and a commitment is made toward getting it solved. Too often we talk in generalities as I have done. We need to find a means to help *individual* communities to come to grips with *individual priority* problems and to bring the resources to bear to solve these problems step-by-step.

THE HETEROGENEITY OF RURAL AREAS

By Rex R. Campbell
University of Missouri-Columbia

In the late 1800's and early 1900's, the rural areas of the United States were populated by small farms and small towns. With improved transportation and communications and changes in agricultural technology this pattern of residence has changed. The proportion of the total population which is on farms has declined significantly; it was less than 5 percent in 1970. Many of the previously rural

farming areas have become low density urban areas. Other rural communities have changed their basic employment from agriculture to other industries.

In this paper I will attempt to describe this increased heterogeneity both within and between rural areas and to discuss some of the implications of these changes for post-high-school education.

Heterogeneity Between Communities

Today there is an increasing differentiation between rural communities. Let me give you a few examples here.

In the commercial farming regions many or most of the small towns still have as their primary economic activities, retail services for farm operators. However, even the smallest of villages have changed considerably. With the improved transportation facilities, the public now has a much greater range of potential retail services available to them. For example, many consumers drive many miles to do their shopping in a supermarket, where as previously they would have restricted their travel to the nearest neighborhood grocery. Similar examples can be given for most other types of retail services. The problems created by the improvements in transportation have been compounded by a declining rural population. No longer are there enough people living in many farming areas to support a wide range of services. This is especially true for such things as churches, schools, and governmental services. In many cases the result has been consolidation. The numbers of high schools and elementary schools have declined dramatically in the past two decades. The grocery, hardware, and clothing stores have gradually declined in numbers. As a result, the primary function of small villages is now for residential purposes. Contrary to popular opinion the small towns are *not* declining but are stable or growing.

Many small villages, especially those distant from places of employment, have large proportions of persons over 65 years of age and are in fact retirement villages. Frequently one-third or more of the population *fall in this category*.

In some regions the trend has been toward increasing specialization of purpose for the towns. Allow me to talk about the Ozarks for a moment. Several communities in the Ozarks are primarily recreational. These are located near lakes or other tourist attractions; thus, much of the employment in these areas is seasonal. The population is very heterogeneous as to place of origin, value systems, and other characteristics. Many of the resorts, restaurants, hotels, and other tourist businesses are owned by persons who are not natives. Also in the Ozarks are several mining communities. Some of these are of recent origin while others are very old. Again the services and social and economic characteristics of the people in these communities are very different from others. Still a third type is the light industry communities where several small or medium sized industries have located to take advantage of the existing labor forces. Such communities are very different than the commercial farming, recreational, or mining. In addition to these types, others could be enumerated such as educational communities, retirement communities, etc. A

rural community is not just a rural community.

Interdependence Between Rural Areas

The discount stores and the large retail units are now having a major impact on rural areas. This has encouraged the growth of specialized shopping centers in a few *locations*. In most rural areas a hierarchy of communities has developed from the smallest bedroom communities to those with the most complex services. For example, the influence of St. Louis extends out a hundred miles or more. People residing in rural areas, especially along the interstate highways into St. Louis, will commute daily to work from as far out as 100 miles. From a similar distance shoppers will drive for retail services which are not offered in the small communities and for specialized medical services. The point that I am attempting to make here is that *the day of regarding a rural community as an isolated entity is gone, and it must be considered in relationship to the surrounding communities*. If services such as education are to be provided to the community, this hierarchy and interdependence must be clearly recognized for purposes of planning.

Farming Today

There have been major changes in farming. Still, to many urban people, *a farmer is a farmer is a farmer*. To those closer to the agriculture industry, this is a gross misconception. There are part-time farmers, subsistence farmers, retirement farmers, commercial family farms of various sizes, corporation farms, and many others.

Let me briefly examine some of these. The proportion of farm operators who are part-time has increased substantially in recent years. Today in most of the counties in many States the majority of farm operators are part-time, that is, they are residing on and operating a small farm *but are working one* hundred or more days elsewhere. The changes in the primary sources of income from farm to nonfarm sources has resulted in major shifts in the types of farming enterprises. For example, if a person holds a 40-hour-a-week job, the number of hours of labor that he can devote to the farm is limited. Thus, the cow and calf operations have increased rapidly in many parts of the United States, especially in the Midwest. Such an enterprise requires relatively low labor input and less management. The part-time farmers have very different interests and behavior patterns than do commercial farmers. For example, they are not as likely to adopt new farming techniques as commercial farmers and the amount of time available for educational activities is very limited.

In many parts of the United States a significant and increasing number of farmers are over 65 years of age. This is especially true in areas where the competition for land is relatively low and where it is possible for a man to continue farming as a supplement to his social security or other retirement income. Research has indicated that by the age of 55 many or most farmers are starting to plan for their retirement and are not as likely to be interested in major

changes in their farming operations.

With the full-time farmers, a wide range in scale of operation exists. At the bottom end a distressingly large percentage of the farm operators are still subsistence; that is, the amount which they sell is relatively small. *Large numbers* of such farmers are found especially in the Ozark-Appalachian area, the upper portion of the Great Lakes States, and many other parts of the United States.

At the other end of the scale are the relatively few large corporations and commercial farms which produce most of the farm products. Most of the fruit and vegetable producers in Florida, California, and the Southwest fall into this category. Increasing proportions of the poultry and livestock producers may also be included. Recently, cattle-feeding on a large scale has become the trend. While some of these units may be "family farms," they are family farms in the sense that they are still owned by one family and that family may provide the majority of labor. However, they are a far cry from the family farms of earlier decades. These units often have capitalization of a million or more dollars and may produce \$100,000 or more sales per year.

The educational needs and requirements of such a diversity of farm population is going to be equally great. No one educational program will cover this spectrum which may be almost as wide as for a general urban population.

Rural Industrialization

In recent decades the amount of industry locating in rural areas has increased. Much of this industry, especially in the South and in the Ozark-Appalachian area, tends to be "labor intensive." They utilize low paid, comparatively low skilled, nonunionized labor, frequently on a *part-time or seasonal* basis. The shoe, millinery, small appliance, and sporting goods industries are examples. The numbers of white collar and managerial employees in such industries are relatively small. While such industries do provide important supplemental income for people who have limited skills, they also tend to perpetuate an unsatisfactory condition by maintaining such employees in a poverty or semipoverty condition.

Most rural towns have been very eager to solicit such industries, and many communities have provided incentives by providing buildings and/or lower taxes or other economic help. However, the net addition of these industries to the community may be negative because of the low pay scales and the reduced taxes or tax base given as an incentive by the community. Let me explain this a little bit further. If a new industry attracts more population, the added population will create a demand for additional public services. In some communities these facilities may be sufficient. In most communities new facilities will be needed, and the taxes paid by the new industry and the additional population may not pay for the new facilities. Such costs do not include noneconomic costs which may be generated such as longer commuting time; greater air or water pollution; a greater crowding in the streets, sidewalks, and shopping facilities; and other intangible costs of larger population.

In a small number of rural areas, heavier industrializa-

tion is occurring; however, most have special features which have attracted such industries. For example, a number of towns and cities along the Mississippi River are currently attracting some fairly substantial new industries because of the availability of large amounts of water for use in the industry and for transportation. Other such special incentives may be low cost power, either natural gas or electricity; transportation facilities; presence of natural resources, etc. Most of such industries are likely to locate in the medium sized cities. For example, few locate in towns of less than 15,000 to 25,000 population because they do not offer the necessary housing, educational facilities, shopping facilities, and other prerequisites for a well paid labor force.

A third and common type of industrial relocation which affects people is the movement of major industries in the metropolitan areas from the central city to the outskirts. Such a movement makes the places of employment much more accessible to outlying rural areas and thus encourages longer distance commuting.

Commuting

Another major factor encouraging farm people to take nonfarm jobs and others to move to rural areas has been the development of freeways and interstate highways which increases the ease of commuting. The average commuting time in 1960 was about 30 minutes. Though the census data have not yet been released, commuting time in 1970 will certainly be as long if not longer. Thirty minutes in a metropolitan area may be a mere few miles; in the rural area it will be close to 30 miles.

I prefer to use the concept of time-distance and suggest that the average commuter today is not likely to commute more than 1 hour time-distance. If 1 hour time-distance rings are drawn around the places having substantial amount of employment today, this would include a substantial portion of the rural areas. This also helps to explain the increasing heterogeneity of the rural areas. Much of the population of the United States has a desire to reside in rural areas or outside the central cities of metropolitan areas but work in urban industries.

Migration

Most rural areas have experienced a large amount of migration over an extended period of time. Since the late 1800's many rural areas have seen substantial proportions of their young people move to the metropolitan areas. In many areas as many as 75 percent of the young people left their rural homes in search of social and economic opportunities in the metropolitan areas. This migration was selective of the young, the better educated, and the more highly skilled. The net result of such migration was an aging of the population in the rural community and an exporting of the educational resources from the local communities. Too frequently for the *metropolitan area*, the net result was a flood of young people who were inadequately prepared to efficiently compete in the urban labor market. The movement of blacks from the rural areas of the South to the

metropolitan North is but one example of this flight to the cities.

The rural to urban migration peaked in the late 1950's and since that time has begun to gradually decline. This results from growing problems in metropolitan areas, increased occupational opportunities in rural areas, and the simple demographic fact that the numbers of potential rural migrants today has been greatly reduced.

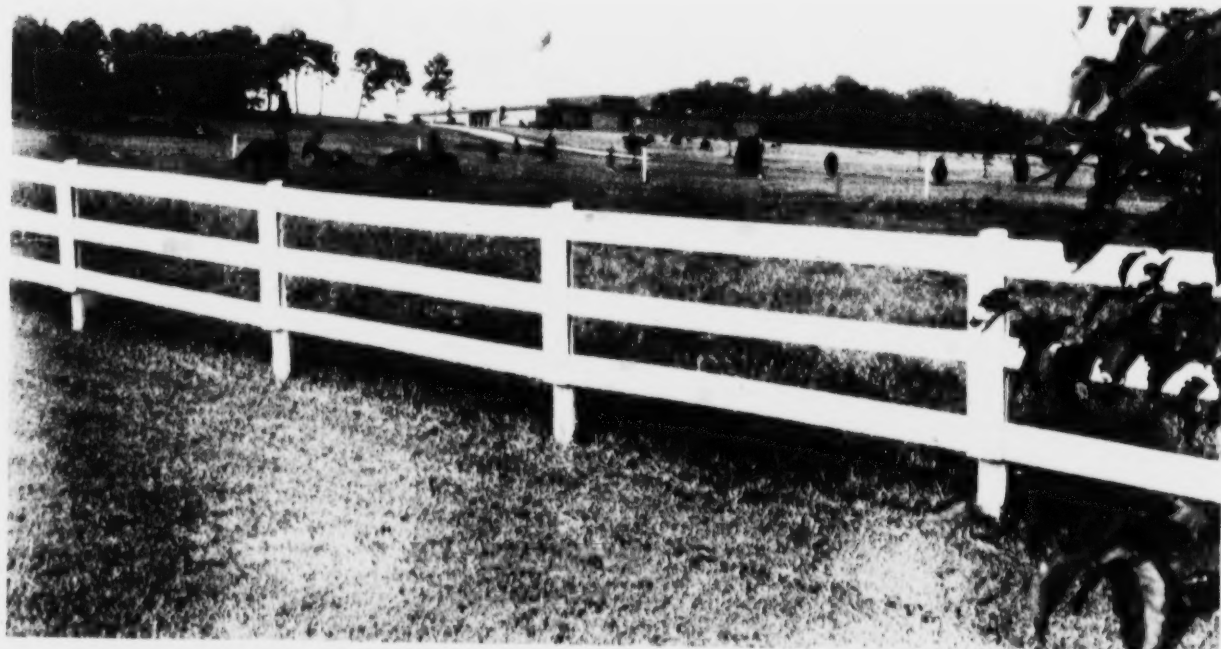
Today migration is becoming selective of a different group. In the commercial farming areas, some of the young people are likely to remain to operate the farms. Also likely to remain are many of the less educated and less skilled so that the migration comes from the middle range of population; that is, the youth from families with resources necessary to establish or perpetuate a commercial farm are likely to stay and so are the low income people who cannot compete in the metropolitan areas.

Another aspect of migration is that most people living in rural areas have lived outside of their home community for some period of time. In our study of four Ozark communities, we found that the vast majority of the people had lived outside of the Ozarks for some period in their lives. In the gross figures for the Ozarks for the 1960 Census, we found that the Ozarks had a small net *outmigration*. However, this figure was very deceiving because for every one net

change due to migration, there had been 14 movements into or out of the area. This suggests that the population of the Ozarks is mobile and the people have worked outside the Ozarks at some time in their careers. While I cannot generalize on all rural regions of the United States, it would be my opinion that this would probably apply to other areas.

Implications for Post-High-School Education

I will give a very few, brief suggestions as to what I see some of the implications are for people planning post-high-school education for the rural areas. First, no single program can be developed which can be applied to all institutions of higher education in all rural areas of the United States. Each institution needs to examine its own area and see what the local needs are. Secondly, because of the high mobility of rural people, there is considerable need to recognize that in addition to the local educational needs, a perspective on the regional or national needs must be also retained because many of the present residents of an area will reside in other communities during their lifetime. These other communities may have very different economic opportunities than the one in which the institution is located.



TRANSPORTATION AND COMMUNICATIONS FOR SOCIAL AND ECONOMIC DEVELOPMENT IN RURAL AMERICA

TRANSPORTATION AND COMMUNICATION IN RURAL DEVELOPMENT

*By J. B. Cloar, Director
Cooperative Extension Service
University of Illinois*

I want to congratulate the developers of this conference in that it is organized to cut below the surface and to really analyze the ingredients of development. Enthusiasm and community attitude are two key factors, but I see them as necessary but not sufficient ingredients of community development. A successful, long-term effort must, in my opinion, quickly get beyond the rah-rah stage and proceed to work on root causes through specific projects.

Incidentally, as a representative of the Extension Service and the land-grant college system who has statewide educational responsibilities in community improvement, let me

say that I welcome the interest and participation of the junior or community colleges. It is axiomatic that you in the junior colleges are interested in this subject. You are located where the needs are and community loyalty is high. From a public service viewpoint you have an obligation to help where you can, and from an institutional standpoint growth in the taxpaying capacity in a great many locations seems essential if these new institutions are to fulfill their mission.

Therefore, I for one welcome this interest and plan to encourage the local rural development committees in Illinois to contact these colleges if they have not already done so, to see what type of technical backstopping expertise the junior-community college may be able to contribute. It is important that the area agents in community development in Extension have such an inventory of expertise in their arsenal, or kit of tools, as they work with community leadership on the overall process of development. Our panel today is directed to two of the necessary ingredients of success.

One cannot travel our great country without recognizing the importance of transportation in development. One would note that such modern phenomenon as strip cities, industrial and business growth, and recreation development, hotels and motels, restaurants, etc. are usually found near good transportation. Our emerging system of interstate highways is spawning a whole new network of industrial and residential nodes in rural areas, changing many rural communities almost beyond recognition. Availability of transportation is one thing—rate structure is still another. Form and technology still another. (Big John barges—rent a train.) I got a little insight into this when I was told by a knowledgeable person in industrial development that nothing would happen in one section of our State until the roads were improved. I suppose it is possible to get into a "chicken and egg" argument here as to which comes first—improved roads or a dynamic industry.

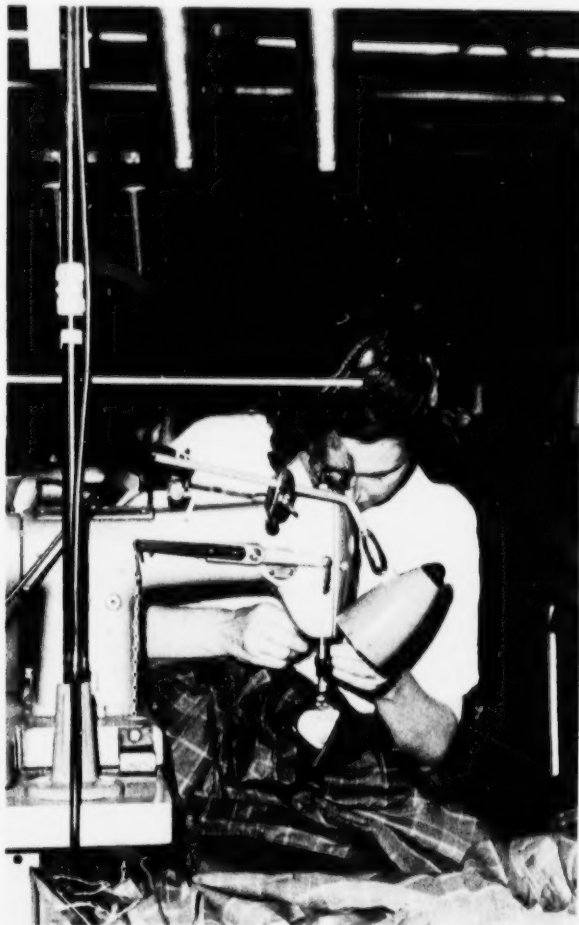
Let's look at communications. Industries and, in fact, all development depends on instant communications with large areas. A most promising omen for rural development is that our modern and instantaneous communication systems today make it possible for business and industry to disperse without suffering the disadvantages of isolation. Most organizations are at least regional and, of course, many are national or international in scope. At the University of Illinois we know a little about these problems of communication since we operate three campuses from one location. But communications between the organizations and leadership in a given geographic area is another matter of major concern.

I think it may be fair to say that vertical communication in rural development is much better than horizontal communication. Too many people today seem to be listening to some distant drummer and approach community problems as "instructed delegates" with special self-interests. Community development is dependent upon forward-looking, flexible people who are interested in the future of their area and who are willing to help apply the scientific method to the problems of their area in an

objective fashion. One of the big problems in rural development is that few communities have collectively developed any kind of systematic plan for their growth and development. There are many examples where planners have been thrown out bodily with their plan because citizens have not been involved in the planning. On the other hand, there are examples of communities that have energized leadership in government, educators, businessmen, housewives, farmers, etc. and have gained citizen support to work for community improvement. But this does not happen without common recognition of problems, etc., and this requires communication and study and more communication between all segments of the community.

The task of educators is to help develop informed citizens who are motivated and capable of coping with the problems and realities of the day. The Cooperative Extension staff in each county is in a unique position to provide organizational leadership and to coordinate educational inputs during this process. As such, we welcome inputs from all institutions who are interested and have expertise to contribute to community development.

To explore these areas more fully, it is now my pleasure to call upon members of an outstanding panel.



RURAL ECONOMIC DEVELOPMENT, WITH EMPHASIS ON THE ROLE OF SMALL CONCERNS

*By Wilfred Garvin, Assistant Administrator
Planning Research and Analysis
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My remarks center around five propositions. To remain within time limitations, I shall discuss each only briefly, thus allowing for further development in group discussion.

Proposition No. 1:

Many communities seeking to promote economic development have placed undue emphasis on attracting branch plants of large concerns. While these plants can contribute to development, they can create only a series of company towns with little prospects of sustained growth in the absence of other development programs. Often, they are from obsolescent industries and are searching for low-paid, low-skilled labor. They are sources of few employment opportunities for the variety of skills and professions concurrently being turned out by manpower and vocational training programs.

Some time ago, we encountered a classic example of the depressing effect on the economic development of a small community resulting from reliance on a single industry with a narrow range of skill requirements. This came up in the course of participation in a Presidential task force set up to appraise the potential impact of scheduled tariff reduction on the woven carpet industry. Task force representatives visited a small town in Pennsylvania in which virtually the only basic industrial employment was found to be in a few carpet factories. The town had a relatively low unemployment rate and an unusually high rate of outmigration. Inquiry into the causes of this phenomenon resulted in a very plausible explanation. The county had one of the best vocational education programs in the Nation. The products of the system, however, had to leave the area to find employers needing their technical and professional skills. Those not taking advantage of the educational facilities found employment in the carpet mills and ancillary trade and service establishments.

Even when an incoming branch plant offers job opportunities for a relatively wide range of skills, other hoped-for secondary effects sometimes fail to materialize. A case in point is the branch plant of a large company which was established in Ravenswood, W. Va.¹ The company purchased supplies centrally and in large quantities, offering little opportunities for local small firms in retail and wholesale trade. Its products were sold f.o.b. the buyer's plant—regardless of location—thus offering no inducement to small fabricators who would otherwise have set up in proximity to branch plant sources of raw material. Wage rates were set through negotiations with national unions, thus putting upward pressure on wage levels throughout the community. The new facility, however, had the expected

impact in terms of burdens placed on schools and other community facilities.

Proposition No. 2:

The key to sustained growth and an effective reduction of outmigration is to be found in industrial diversification. Development programs aimed at this objective need to envision a broad spectrum of industry types and sizes—to include significant numbers of innovative small firms, preferably locally owned. Only in this way can work opportunities be created for the variety of technical and professional skills modern educational systems produce.

Rural America also needs to look to growth industries rather than obsolescent industries. Among the former are industries catering to tourism and expanding leisure time activities. Within manufacturing, prime examples are to be found in plastic molding, electronics, mobile homes, and small steel mills. To an increasing degree, the newer growing industries appear to be neutral as to geographic location and thus can be successfully placed in a wide variety of environments. Finally, care needs to be taken to insure that new plants introduced take full advantage of modern technology. Numerous observers believe that numerical control—computer-assisted manufacturing—is ushering in a new industrial revolution. The technology appears to offer much to small manufacturers.² Without doubt, its continuing diffusion will alter significantly the competitive environment in many lines of manufacturing.

Proposition No. 3:

There is no need for small communities to offer tax concessions or other gimmicks to lure desirable types of business to locate among them. I have reviewed a number of reports on factors entering into business location decisions. In no case did such lures play an important part.³ Certainly, responsible business managers contemplating long-range investment realize that favors freely extended can be freely taken away.

A survey conducted in 1963 of more than 400 U.S. management leaders disclosed their rating of the principal factors entering into business location decisions. The factors, arranged in order of importance assigned to them by the respondents, were as follows:⁴

1. Community attitudes toward business.
2. Good employer/employee relations.
3. Worker productivity.
4. Political calm and stability.
5. Educational opportunities.

Insofar as tax rates are concerned, some communities have launched successful development programs by increasing taxes and indebtedness to raise funds needed for public facilities supporting expanded industrial activity.

Proposition No. 4:

In many communities, obstacles to economic development are as much attitudinal as economic. Established



financial and commercial institutions in these areas understand and can cope with the needs of enterprises supporting the basic industries they have traditionally served—agriculture, mining, forestry, and fisheries. They are frequently skeptical of, if not openly hostile to, new industries with unfamiliar needs. Thus, they act to stifle the innovative spirit of the entrepreneur.

Local bankers play a key role in the formation and maintenance of rigid backward-looking community attitudes. As a result, we find that a great number of small urban and rural communities, in dire need of capital for public and private economic development programs, are nonetheless net exporters of capital. The depressing impact of these attitudes is vividly portrayed in an article by Stanley Reed in the *Yale Review*.⁵

"They have a fear of the new and different that is unknown in communities familiar with economic diversification. In their frustration they have created some strange gods to worship. One local banker boasted that in one of the worst economic situations the area had ever seen, he still had not a single loan go bad. In fact he said that, with nearly ten million dollars on deposit, his average losses for the past eighteen years were \$600 per year. Another banker described his ideal of economic behavior in these words: There is a good outfit down the river, the boy has made money from the day he started in business, and you know, he never had to borrow a dime." Reed goes on to liken this view to that of a librarian whose concept of an ideal library is one with every book it owns sitting on its shelves.

It is obvious that the spark of entrepreneurship cannot be brought into flame in these areas unless the community leadership is induced to commit its interest and resources to the task and is prepared to accept reasonable risks. To do so requires the introduction of a change agent to cope with negative attitudes. The agriculture county agent system backed by land-grant colleges performed this function for the farm population and thereby brought about a revolution in the industry. Properly directed, community colleges could play a similar role in community business development. It might also be wise to borrow some of the techniques successfully used in underdeveloped areas as part of our foreign aid program. For example, financial, commercial, and industrial leaders were brought to this country to observe first-hand modern managerial practices and technology as part of the learning and attitude-changing process.

Some communities in the United States have had an element for change introduced in the form of a shock induced by the announcement of a major military base closure. These communities were forced to consider other alternatives, to devise development plans, and to pool resources to find viable substitutes for their past dependence on employment created directly or indirectly by the military base. Many have launched successful programs with better prospects for sustained growth than existed prior to the base closure. Most important, the development was based upon the exploitation of com-

munity resources which had been there all the time, latent and unrecognized.⁶ One is forced to wonder as to how many hundreds or thousands of small communities throughout the Nation are dreaming of some outside force bringing industrial development to them, while they remain blindly unaware that the resources are at their doorsteps to make their dreams come true.



Proposition No. 5:

The Small Business Administration has helped numerous communities to launch economic development programs. Given the requisite resources, it could do much more. While we have a wide variety of financial, management, and procurement assistance programs, one of the most effective instruments at our disposal for the economic development of small communities is our Local Development Company program. Its success appears to be related to the fact that its approach to development contains some of the ingredients I have discussed. It requires the direct involvement of persons living or doing business in the community, the commitment of community resources, and the maximum feasible participation of local banks.

Nebraska is one of the leading States in the use of the Local Development Company program. We now have more than 100 companies organized throughout the State, virtually all of which are in small town or rural areas. Twenty-one were organized in Fiscal Year 1971 alone.

Finally, the Small Business Administration staff now has under active consideration the establishment of a new

program for small business development in urban and rural areas. Priority assigned to the program would be in keeping with the President's declaration in a message transmitted to the Congress on July 23, 1971:

"The revitalization of rural America is one of the important objectives of my administration. For I am convinced that the growth which this Nation will inevitably experience in the coming decades will be *healthy* growth only if it is *balanced* growth—and this means growth which is distributed among both urban and rural areas."

¹ Gray, Irwin. *Employment Effect of a New Industry in a Rural Area*. Monthly Labor Review. June 1969.

² Office of Planning, Research and Analysis, Small Business Administration. *The Impact of Numerical Control on Small Business*. Printed in Introduction to Numerical Control, Hearing before the Subcommittee on Science and Technology, Select Committee on Small Business, Ninety-Second Congress, First Session.

³ See, for example, Fulton, Maurice: *New Factors in Plant Location*. Harvard Business Review. May-June 1971.

⁴ Lynch, John E. *Local Economic Development after Military Base Closures*. New York and London: Praeger, 1970.

⁵ Reed, Stanley Foster. *Entrepreneurship and the Depressed Area*. Yale Review, v. 54, Oct. 1964.

⁶ Lynch, op. cit.



RURAL HOUSING AND PUBLIC SERVICE

HOUSING IN RURAL AMERICA

By Louis D. Malotky
Deputy Assistant Administrator
Rural Housing
Farmers Home Administration

I appreciate the opportunity of being here to discuss one of the important components of rural development—namely housing.

It is a subject a lot of people are talking about and there are reasons for this:

1. Housing is a basic need.
2. It is highly visible. One can see it, take a picture of it, and count it.
3. It is a need that has received the attention of the Congress. They have done something about it.

I'll be talking largely about the USDA rural housing program which is administered through the Farmers Home Administration.

As many of you may know, the FHA is a rural credit agency offering three general lines of credit:

1. Farmers—to buy, improve, and operate farms.
2. Rural residents—to buy, build, or improve their homes.
3. Rural communities—to develop water and waste disposal systems.

All of these are important to the development of rural areas. I will be talking, however, largely about the Department's rural housing program. It includes a variety of different authorizations that I will describe in more detail

later.

To give our housing program some dimension or scale, I like to make three points:

1. The Department's current annual investment in rural housing is \$1.6 billion.
2. The term rural areas as used in connection with the USDA's rural housing program includes farms, open country, and places of up to 10,000 population that are not near to or closely associated with an urban area. This concept of rural areas includes about 30 percent of our population, half of our substandard housing and 98 percent of the land area.
3. If we are to adequately house the anticipated increase in our population, upgrade the existing substandard dwellings and replace the homes that will be lost, destroyed or worn out or abandoned during the next 30 years, we will need to produce as many housing units as exist today. Some 67 million.

Inherent in these numbers are two basic questions:

1. Where will the people live?
2. Who will finance the housing?

One generally accepted premise is that we need an alternative to what has happened since World War II. Since then our big cities have grown bigger. The growth pattern has been most conspicuous as subdivision bulges, concentric rings of suburban development and satellite clusters of homes.

Today, more people are living in suburban areas than in our central cities. Perhaps a major move in the years ahead will be the development of satellite towns that offer a combination of local and city jobs. Some of these communities will be new towns.

I believe, however, that opportunities exist for rural towns to become the cores of new communities. I am talking about rural towns that offer things that attract people.

- Jobs in the area that are within easy commuting distance.
- Adequate community facilities such as schools, water, and sewage systems, health facilities, libraries, police and fire protection.
- Recreational facilities.
- A desire on the part of the residents to have the community grow.

When these factors exist, I believe rural towns have growth potential and can develop into revitalized, in fact, new communities. Local industry helps but is not necessary for community growth. The economic base can be largely the paychecks the new residents bring to the town where they live from the factory where they work, which may be miles away. I have seen it happen and I am sure all of you have too.

The development of rural towns is not just going to happen. Someone is going to make it happen. Someone needs to conceive the idea. Someone needs to plan for orderly growth and development, and the community must commit itself to providing essential services and facilities.

With respect to financing the housing, most of the new homes have been and will continue to be financed by the

private sector. In the recent year, however, the Federal Government has played an ever increasing role in trying to give families an opportunity to live in a decent home.

The forms of Federal assistance are many and varied, such as:

- Loan insurance and guarantees.
- Interest subsidies to homeowners and owners of rental units.
- Rent supplements.
- Public housing.
- Backstopping the market with Government National Mortgage Association and the Federal National Mortgage Association.
- Housing opportunity allowances through the Federal Home Loan Bank System.
- Research in various aspects of housing.

Most of these ideas were developed initially in urban areas, but new programs have been designed to meet the special needs of rural areas as well.

Innovations for rural areas began on a small scale in 1949 when Congress recognized the existence of a housing credit gap in rural areas and initiated what is now known as the rural housing program. This program was assigned to the Farmers Home Administration in the USDA.

Housing loans, as with all other loans made by the Farmers Home Administration, are made to those families who cannot obtain credit from other sources on terms they can reasonably be expected to pay.

The function of the agency is to supplement other sources of credit, not to compete with them. In other words, we are a creditor with a special mission; namely, to provide low- and moderate-income families an opportunity to have a decent home in a rural community. Stated differently, we operate where the private home mortgage market does not adequately meet the need. If a savings and loan association, mortgage banker, or other lender will provide the family's credit needs, they are not a customer for a loan from the Farmers Home Administration.

The Farmers Home Administration, through its insured program, has the capacity to bring investment capital from the big cities to rural areas. This flow of capital from the big cities to the country is essential to finance housing as well as other phases of rural development.

We obtain our funds from the same sources others do; namely, the private capital market. Our method of obtaining the funds is somewhat different, however, from the methods used by other agencies such as the Department of Housing and Urban Development (HUD). We have a rural housing fund out of which loans are made. In other words, when a family gets a rural housing loan, a Government check is issued in the amount of the loan.

After the loan is closed, the Government sells the note to a private investor. The note is insured at the time of sale. Proceeds from the sale of the note are returned to the Rural Housing Insurance Fund and used to make additional loans. The Government retains the mortgage and services the loan. This credit delivery system has the capacity to deliver housing capital from the big cities to anywhere in

the United States. The end result is the same as other federally guaranteed or insured loans; namely, the loan funds actually are provided by the private sector. In other words, we operate as a credit transfer facility, bringing home mortgage money from commercial capital markets to rural areas.

Associated with the delivery of credit is a counseling service to low- and moderate-income families and to developers who want to build homes in the market we serve. To operate this program the Farmers Home Administration has some 1,700 local offices. We are out where the people are.

Our housing program serves two groups of people. Those who now live in rural areas and those who live in a city but want to move to the country.

There are several phases of our housing program that I would like to mention briefly. The largest, which is funded at \$1.5 billion for Fiscal 1972, is homeownership of adequate housing. This \$1.5 billion will finance about 120,000 homes. These loans may be made to low- and moderate-income families to buy or build a home or to improve one they already own.

We offer mortgage loans up to 33 years at a basic interest of 7½ percent. Actually our loans are made at two levels of interest subsidy; namely, shallow and deep subsidies. The shallow subsidy rate is 7½ percent which is somewhat below the actual market rates. It is designed for moderate-income families. Low-income families receive a deeper subsidy depending on the size of their family, its income, and the amount of the loan. The effective interest rate for low-income families may be reduced to as low as 1 percent. This is similar to the HUD Section 235 insured mortgage program. Under this approach families who need a lower interest rate to meet their payments will receive such a reduction and those who are able to meet their payments with a shallow subsidy will obtain loans at the basic 7½ percent interest for the current year.

Another important part of our housing program is rental housing. We make loans on rental properties in rural areas to provide housing for the elderly and lower income families. These loans may be made for periods up to 50 years. The basic interest rate on these loans is also 7½ percent. We can, in the case of nonprofit organizations, scale down the effective rate to as low as 1 percent when units are occupied by lower-income families. This is one of the programs that was amended by the Congress last year when the loan limit was increased from \$300,000 to \$750,000. We believe that this change, together with the extension of our area of service from 5,500 to 10,000 population will provide extensive opportunities for the expansion of effective rental housing in rural areas. This will provide greatly needed service to families in small towns, particularly the elderly and the young families who are just starting house-keeping.

We also have a program of small home repair loans for shelter housing. These loans are made to very low-income families whose dwellings are badly in need of repair who cannot afford adequate housing. Since the families must

own their homes and they do not have enough income to pay for adequate housing, these loans help them do the best they can to improve their homes. Loans are used for purposes such as roof repairs, putting in screens, or providing adequate water and waste disposal systems. These loans are made at 1 percent and run for up to 10 years. Most of the families that receive these loans are elderly.

In addition we have several other programs that are small in size but can be significant in the areas in which they are needed. One is farm labor housing loans and grants. Another is financial assistance to qualified organizations to pay administrative and supervisory cost in connection with mutual self-help housing. A third is loans for building sites.

Housing requires an adequate water supply and waste disposal system. These have been critical in many rural areas. In fact, our housing program has come to almost a standstill in some communities because adequate water and waste disposal facilities were not available. We have a program of financial assistance to provide these facilities, but our resources are extremely small when compared to the magnitude of the need in rural areas. There is an increased recognition of the importance of water and sewer facilities to the development and growth of rural communities. Hopefully, more will be done in this area.

As we develop rural areas we need to give more attention not only to housing but also to essential facilities of the type of environment in which the people will live and work. This applies to community facilities such as water supply, waste disposal systems, streets, drainage, and all the other components that are involved including the design of the community itself.

To do this effectively will require local initiative, a knowledge of technical assistance that is available from a variety of sources, and funds to do the job. A lack of information on technical and financial assistance that may be available and a shortage of skilled people to do the planning and paperwork involved in bidding for State and Federal assistance has been a handicap to rural areas. It is in these areas that community and vocational colleges can make a major contribution to the development of the communities in which they are located.

PUBLIC FINANCING OF COMMUNITY SERVICES

*By Everett E. Peterson
Professor of Agricultural Economics
University of Nebraska*

"Governors predict bankruptcy for their States in the immediate future if additional funds are not forthcoming. Mayors forecast a total collapse of city services unless they receive additional revenues from the State and Federal governments. Taxpayers are faced with increased rates of existing taxes or the imposition of new taxes. Indeed, the Nation's Federal system of government appears to be in fiscal jeopardy."—New England Letter, First National Bank of Boston, June, 1971.

Fiscal crisis characterizes many local and State govern-

ments in America today. Expressions of concern and proposed solutions come from the Nation's President and the man-on-the-street. Proposals range from drastic curtailment of public services to greatly expanded State and Federal participation in their delivery and financing. The revenue-sharing plan of the Nixon Administration prompted much debate on this and other alternatives for Federal assistance to State and local governments. Recent court decisions on discrimination in education resulting from widely varying local property tax bases will lead to major changes in methods of financing public schools, and in State and local tax systems. People are now taking a close look at systems of providing and paying for public services at all levels of government, and at intergovernmental relationships. This is good for the Nation's political health; better government should result if citizens are adequately informed on available policy choices as to governmental organization and financing public services.

Expenditures of State and local governments increased 179 percent in current dollars and 75 percent in real terms from 1959 to 1970; and an additional increase of 25-30 percent is expected by 1975.¹ Local government expenditures went up from \$36.3 billion in 1959 to \$92.5 billion in 1970 (in current dollars and including programs financed in part by funds from State and Federal governments). Local governments are responsible for 27 percent of all government spending and raise 18 percent of the revenue to pay for public services and facilities.

Local and State expenditures have increased at a faster rate than revenues, the gross national product, and personal incomes in the United States since 1952. Fiscal crises have developed recently because expenditures rose 7 percent annually in 1960-64 and 12 percent in 1965-71 while revenues were growing at an annual rate of 4-6 percent.

Rising local-State government spending has been caused mainly by demands of more citizens for additional and better public services. As our citizens become better educated, they expect more from government as the best means of attaining a multitude of public policy goals in an increasingly complex society. Our population grew from 151 million in 1950 to 208 million in 1972, with more young and older people—groups with high public service requirements. Population of metropolitan counties increased by 45 million people in 20 years, from natural growth and rural-urban migration; public service needs in these areas expanded accordingly. Rural people, too, want and are getting improved schools, roads, recreational facilities, police and fire protection, and water and sewer systems for better living and economic development. The cost of more and better public services in both urban and rural areas is often financed by higher local property taxes. The desire of city dwellers to "get away from it all" places additional loads on public facilities in rural communities. Since 1965, serious inflation has boosted prices of items purchased by government and has necessitated paying higher wages and salaries to public employees.

Public Finance Problems in the 70's

Three basic questions must be answered in providing and financing public services:

1. Which public services should logically be provided by local, State and Federal governments in sparsely populated areas, in metropolitan areas, and in the country in-between?
2. What level of spending is necessary to provide "adequate" facilities and services?
3. How should the cost of public services be allocated among citizens of the community, State, and Nation?

Our approach to answering these questions in America has been pragmatic. We have called upon all levels of government to meet citizens' expanding public service demands. Through the political process, we have created a very complex Federal system with many units of government and a host of elected and appointed public officials. Responsibility for supplying and financing public services is shared among these governments through a wide variety of programs and techniques. Stresses have developed which threaten the system but which will lead to major changes, especially in methods of financing public services.

Serious fiscal unbalances exist among the three levels of government. The role of the Federal government has increased as our society has changed technologically, economically, socially, and politically. Local and State governments have often failed to deal adequately with problems associated with these changes. The Federal government has important advantages in financing public services through borrowing and taxation. Its main revenue source, the progressive income tax, grows faster than the gross national product; its elected officials are less likely to suffer defeat at the polls after a tax increase. Other imbalances are: Near-monopolization of the property tax by local school boards; welfare expenditure patterns favoring minimum-outlay States over those with more generous systems; and metropolitan expenditure-revenue structures which favor suburban districts over inner cities.

Proliferation of local governments in the form of special districts is another serious problem of this decade. While the number of school districts has declined by more than 60 percent since 1957, the number of special districts increased by 50 percent. There are still well over 80,000 units of local government in the United States; leading States are: Illinois, 6,400; Pennsylvania, 4,900; Nebraska, 4,300; and Minnesota, 4,100. Most of these were established to initiate and operate specific programs which local or State governments are not prepared to handle, and to gain access to Federal and State grant-in-aid funds. State constitutional and legislative limits on spending and taxing authority of local governments have encouraged the formation of special districts to bypass these restrictions. Thus, authority for and financing of many programs are divided and shared with a loss of "local administrative discretion" even though local governments are still the largest providers of domestic public services. Problems of conflict, coordination, overlapping, and citizens' understanding and participa-

tion are intensified.

The third major public finance problem is the growing resistance among taxpayers to local and State tax increases and to the imposition of new taxes. Evidence of taxpayers' unrest comes from the high percentage of failures among bond issues and tax measures in recent elections, and from the high rate of political mortality among public officials associated with tax increases. Contributing to citizens' dissatisfaction are inflation and war, both largely beyond individual control, so resentment is expressed against local and State officials and policies. Unwillingness to support adequate public services at local and State levels is often a more serious barrier than inability to do so. The Advisory Commission on Intergovernmental Relations estimated that, in 1966-67, the revenue effort of local governments was below the national average in 34 states; that of State governments was below average in 29 states.² This unwillingness reflects citizens' beliefs and attitudes toward government: Apathy; antagonism; misunderstanding, and misinformation on the role of government in our society; and desire for more and better public services but lower taxes.

Choices in Financing Local Public Services

Local governments, more than 81,000 of them, exist and have a future in providing domestic public services in America because:

1. Their traditional role is still important—elementary and secondary education, roads and streets, protection of person and property, collection of taxes, disbursement of funds, record keeping, and elections.
2. New units are continually being created for special purposes, including eligibility for State and Federal grants and to get around constitutional and legislative limits on spending and taxing.
3. People want them in order to have greater control over policy decisions and to keep governmental power dispersed.
4. Many public facilities and services can best be provided by local units; the Nation and most States are too complex to solve all problems at those levels.
5. Citizens of local communities can be active participants in the great game of American politics.

What Local Government Can Do

All local units of government are "creatures of the State," dependent upon State constitutions, legislation, and judicial decisions for their organization, powers and duties, and methods of operation, including the collection and spending of public funds. Although constitutions and laws can be changed and court decisions overturned, choices in financing local public services are limited in the short run by this legal framework. If more revenue is needed to pay for improving existing services or for new services and methods of delivery, the principal alternatives are: Higher rates for authorized taxes and other charges up to legal ceilings; addition of authorized, but not utilized, new taxes;

borrowing; creation of new special districts; and obtaining State or Federal funds available under present grant-in-aid programs.

In most nonmetropolitan districts, raising more tax revenue from existing sources means higher property tax levies. This tax is the only large revenue source which local governments can administer under delegated authority. It provides nearly 90 percent of the tax revenue and 40 percent of total revenue of local governments, with over half of property tax revenue going to support public schools. For units already up to their legal levy ceilings, it has no *immediate* potential for raising additional revenue. In many communities, taxpayers are imposing psychological limits on local property taxes by rejecting tax-supported bond issues and defeating efforts to lift legal limits by referendum. Taxpayers' revolts are widespread in spite of exemptions, "circuit-breakers" to reduce its regressivity, and State laws to improve assessment and administration.

The property tax has been condemned as a "poor" tax for 100 years. Its weaknesses were well summarized by Ronald Welch: "...the property tax is the most unpopular of all major taxes now employed in the United States. It is under attack from all sides. It is denounced by welfare economists as our most regressive major tax, by businessmen as our most inflexible tax, by farmers as our most unfair tax, by the aged as our tax least related to ability to pay, by guardians of the law as our most dishonestly assessed tax, by students of government as our most ineptly administered tax, and by conscious or instinctive disciples of Henry George as our most repressive tax."³ Despite these inherent weaknesses, it will not be abandoned so long as local governments exist. Improvements in its administration, although possible and desirable, cannot make this a "good" tax in terms of accepted principles of public finance. In my opinion, its use should be restricted primarily to property-related services but not so narrowly defined as to exclude activities which maintain or increase property values, e.g., paying off bonds for certain capital improvements.

The Advisory Commission on Intergovernmental Relations, in its Tenth Annual Report, commented prophetically on the issue of reforming school finance to assure equality of educational opportunity:

"Quite possibly, judicial intervention rather than gubernatorial or State legislative leadership, will prove to be the vital ingredient in this—one of the most critical of the current urban crises. A veritable revolution in local government structure and financing in the United States would ensue if the judiciary should adopt the doctrine that every pupil should have substantially the same fiscal backing or—in the case of the disadvantaged youngster—substantially more."

The judiciary has done just that—in California, Minnesota, Texas, and New Jersey; similar suits are pending in more than 20 other States. The California court held that financing public schools by heavy reliance on local property taxes "makes the quality of a child's education a function of the wealth of his parents and neighbors and

denies 'equal protection' under the 14th Amendment of the U.S. Constitution." Such decisions will probably be appealed to the U.S. Supreme Court; if upheld, major reforms in local and State tax structures will be necessary. Other serious questions are raised regarding local control, uniformity vs. diversity, collective bargaining by teachers, and equalization formulas, but these are beyond the scope of this paper.

Assumption of a much larger share of school financing by State, and possibly the Federal, governments will provide substantial property tax relief in most communities. This might lessen taxpayers' resistance to relatively small future increases in local property tax rates to pay for some roads and streets, better police and fire protection, sanitary facilities, libraries, and local parks and recreational facilities.

Sales and income taxes are possible sources of additional tax revenue for local governments, especially those in metropolitan areas. Local sales taxes are authorized in 25 States and used, but not generally, in 22 States; for example, in Nebraska only Lincoln and Omaha levy city sales taxes, although any incorporated municipality could do so. Many communities fear that a local sales tax would "drive business away"; others have too small a retail sales base for the tax to be productive. Local income or payroll taxes are used widely in Kentucky, Maryland, Michigan, Ohio, and Pennsylvania and by selected local governments in other States. Local income taxation obviously works best in employment centers with large numbers of middle and upper income people. Enforcement and administration of both taxes are simplified and improved when "piggy-backed" on State taxes.

Other limited sources of revenue used by various local governments are: Motor fuels taxes; excise taxes on tobacco; real estate transfer taxes; fees for motor vehicle registration and operators' licenses; fines for violating local ordinances; and charges for business licenses, inspections, building permits. Charges for services provided by public utilities are common for electricity and water, and are increasing for sewers, parks, swimming pools, golf courses, and other facilities. These are sometimes set high enough to help pay for other governmental activities.

Borrowing is used extensively by local governments for capital construction to be paid for as facilities are used. Responsible use of credit is good fiscal policy in communities experiencing economic growth; it shares the cost with future residents. Going into debt to try to save a declining community should be avoided unless success is reasonably certain; otherwise higher taxes for debt service should actually hasten the decline. Local government borrowing is usually restricted by the States through debt limits, ceilings on property tax levies for debt service, and requiring referenda on bond issues. Such restrictions probably create more problems than they solve: increased use of higher-cost revenue bonds; and formation of more special districts to circumvent debt and tax limits.

Intergovernmental transfers are important sources of funds for most local governments. With such financial

assistance, public services can be continued and expanded; this might otherwise be impossible. Any community seeking to upgrade or expand public services should explore the possibility of obtaining State or Federal funds available under existing grant-in-aid programs. Although not the complete and painless answer to all local public finance problems, grants-in-aid and revenue sharing are fiscal facts of life in our Federal system of Government.

State Assistance to Local Government

In addition to establishing the legal framework for local governments, the States provide administrative and financial assistance to their subdivisions.

Indirect financial help has come from the diminishing importance of the property tax as a source of State tax revenue—from over half in 1900 to 2 percent now. Although 43 States still collect property taxes, only three States—Arizona, Vermont, and Washington—obtain more than 10 percent of total tax revenue from this source. Local governments, especially school districts, have increased their property tax levies enough to offset this shift several times over. Elimination of all remaining State property taxes, while good State tax policy, would “free” only \$1.1 billion for property tax relief or increased local government revenue.

Taxing authority of local governments could be expanded and made more flexible by liberalization or removal of present restrictions on property tax rates and borrowing while retaining appropriate safeguards. Ability of local governments to provide and finance public services can be further enhanced if more States would authorize local nonproperty taxes and others broaden existing authority. Such local taxes are needed in many communities because property tax revenue increases more slowly than economic growth and cost of public services in an inflationary period, and such revenue bears little relation to ability-to-pay as measured by current income flow. Local sales and income taxes should be collected by the State and returned to taxing districts for efficient administration.

Direct financial assistance in the form of State grants-in-aid and revenue sharing account for one-third of total general revenue of local governments. In 1969-70 State aid went mostly to local schools (60 percent), welfare (18 percent), and roads and streets (9 percent). State (and Federal) grants-in-aid are a recognition of the inability of local governments to balance costs and benefits of public services in an urban-industrial society. Wide differences persist in quality of local services and in the amount of State support. State assistance to schools varied from 87 percent in Hawaii to 8.5 percent in New Hampshire.

The Serrano Decision (California) will force major changes in school finance when it becomes “the law of the land.” Options being considered among the States include: (1) Statewide property tax, or pooling and redistribution of local property tax revenue; (2) greatly expanded State aid from sales and income taxes; and (3) transfer of local school taxes from wealthy to poorer districts. People in rural areas should realize that the first

option would shift a part of urban school costs to farm property.

Revenue sharing is relatively unimportant as a form of State aid to local governments but will increase in the future. So far, its main use has been to replace revenue lost from property tax relief measures.

The main policy issues in State financial aid are: Whether such assistance should be earmarked or without strings; local control vs. State supervision; and formulas for distributing aid funds.

Even though most States no longer rely upon the property tax as a major revenue source, they can, and should, assist local governments in improving their administration and reducing their inequities. Better assessment is the key to improved administration and requires effective State supervision, professional rather than elected assessors, full disclosure of valuation practices, and adequate appeal procedures. Inequities can be reduced by: General adoption of the “circuit breaker” approach to prevent overloads on low income people; and exemption of personal property tax. More research is needed on the effectiveness of preferential assessment, deferred taxes, restrictive agreements, and site value taxation in controlling land use and recapturing socially created increases in land values for social rather than private purposes.

Federal Financial Aid to Local Government

The main purpose of Federal aid is to increase the quantity and improve the quality of public services to achieve certain goals of national domestic policy. Such aid is needed because: Benefits of public services spill over into other taxing districts; gaps exist between revenue capacity and public service needs; tax hold-down competition among communities restricts expenditures for public services; and State and local tax systems are regressive while the Federal system is progressive.

The fiscal situation of local governments would be greatly improved if Federal monetary-fiscal policies could effectively control inflation. Cuts in Federal income taxes provide only minor help to local governments. Tax credits seem to be the main possibility in encouraging States to overcome their traditional reluctance to adopt and increase income taxes.

Full Federal financing and operation of additional programs with presently shared costs would release local and State funds for other purposes or for tax reductions. Welfare is the most likely candidate for full Federal takeover. Such programs now cost local governments about \$6.5 billion a year. States with highest welfare expenditures like New York and California would realize the greatest benefits from Federal takeover of public welfare.

The Federal Government channels nearly \$25 billion a year to local and State governments, mostly through 500 separate grant-in-aid programs. Under these programs, Federal funds are allocated for specific purposes by formula or for special projects. Many grants-in-aid require that Federal money be matched by local or State funds. This influences local decisions on expenditure priorities and may

cause spending and taxes to rise "to get our share of Federal money." The number and complexity of grant programs result in duplication and gaps, excessive red tape, and discrimination against small, rural local governments. Effectiveness of these programs in meeting local public service needs could be enhanced by simplification, coordination, and better information and assistance to local public officials.

Some streamlining of the present Federal aid system could be accomplished through greater use of block, or broad-purpose grants for education, health, transportation, rural development, etc. Funds would be distributed by formulas according to purposes of the grants and could come from appropriations or a share of the Federal income tax. Local and State governments would have considerable discretion over use of funds, except for general guidelines. Matching requirements might be retained or eliminated.

Fiscal problems of local and State governments and dissatisfaction with the Federal grant system led to recent proposals for general and special revenue sharing. Funds would be obtained by designating a share of Federal income tax revenue for this purpose to be distributed to local and State governments by formula. Population, income, local revenue effort, and other factors could be included in the formula. Local and State governments would gain access to the largest, most responsive revenue source in the Nation. No restrictions would be imposed on the use of general revenue sharing grants while special revenue sharing funds would be similar to block grants.

Proponents of revenue sharing list these advantages: Redistribution of income; decentralization of power; more progressive total tax system; improved public services under locally administered programs; partial solution to local-State fiscal problems; and additional revenue for local and State governments without political repercussions.

Main arguments against revenue sharing are: Large Federal budget deficit with unmet national needs; erosion of grant-in-aid system without assurance that essential programs would be continued; separation of spending and revenue functions; local and State revenue sources not fully utilized; unimpressive past records of local and State governments in providing adequate public services; temptation for public officials to spend money for political gain rather than to maximize social benefits.

Conclusion

We Americans value our local governments very highly and rely on them to perform a great variety of functions. These activities are shared intergovernmentally, for many domestic public services "... all local governments act as

acquirers of federal and State aid; as adapters of national or State programs to local conditions, needs and values; as initiators of new programs at the State, national, as well as the local level; and as experimenters in the development of new services."⁴

Ed Lutz of Cornell questions much of conventional public administration wisdom on local government organization; he points out that those units which have applied the classic public administration approach seem to be in deep trouble, and suggests that "we need to think small enough to focus scholarly attention" upon public policies, programs, and institutions within a finite geographic area.

Public service deficiencies in rural areas have been well documented but must be overcome if rural communities are to have a promising future. More money from local, State and Federal sources for more and better public services is not the sole answer to rural community development. But adequate public services are essential if growth is to occur and/or quality of life is to be improved in rural areas.

Regardless of the structure of local government, public services must be paid for. I have tried to outline the main choices available to local governments in public financing of community services. Two revolutions in public finance are now beginning and will have profound effects on local and State tax structures in this decade: The first is the crisis in public education which will bring long overdue reforms in school finance, the second will come from the current controversy over revenue sharing which is forcing Congress to abandon its do-nothing policy on local and State tax structures, to consider Federal assumption of all public welfare programs, and to study ways to streamline the Federal grant-in-aid system.

Our role as educators is to upgrade citizens' ability to make sound decisions on providing and financing public services in our dynamic society.

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PUBLIC SERVICES AVAILABLE IN DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

*By Bertha G. King
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I am pleased to be a part of the Rural Development Workshop at the request of American Vocational Education Association and as a representative of the U.S. Office of Education, Division of Vocational and Technical Education, in Washington, D.C. My remarks will deal with the public services available through the U.S. Department of Health, Education, and Welfare. The Department of Health, Education, and Welfare is an organization of people striving to serve people and essentially HEW helps people solve problems. Through its more than 250 programs authorized by the Congress, the Department's 107,000 plus specialists in more than 300 different occupations try to help individuals overcome obstacles too enormous for them to cope with alone. Presently, the Department is organized into seven operating agencies:

1—FDA (Food and Drug Administration)

FDA deals with consumer protection services, particularly for drugs, foods, and cosmetics. Many people do not realize that FDA has some control over cosmetics, etc. Other components of FDA include:

- Bureau of Foods
- Product Safety
- Bureau of Drugs
- Bureau of Veterinary Medicine



II—NIH (National Institutes of Health)

NIH is composed of 27 areas plus the Office of the Director. Some of the more pertinent services offered by NIH, as far as the Rural Development Workshop is concerned, might be:

- Bureau of Health Manpower Education
- National Cancer Institute
- National Heart and Lung Institute
- National Institute of Allergy and Infectious Diseases
- National Institute of Child Health and Human Development
- National Institute of Environmental Health Sciences

III—HSMHA (Health Services and Mental Health Administration)

HSMHA is composed of 15 areas plus the Office of the Administrator. Some of these areas are:

- National Center for Health Services Research and Development
- National Center for Health Statistics
- Center for Disease Control (CDC is located in Atlanta, Ga.)
- National Institute of Mental Health
- Health Care Facilities Service
- Community Health Service
- Indian Health Service

Two very specific services which you will be concerned with, and which are covered by HSMHA, are National Center for Family Planning Services for population research, and secondly, Maternal and Child Health Service for the economically deprived families.

IV—SRS (Social and Rehabilitation Service)

This particular agency of HEW is concerned with welfare assistance, and offers many services to the lay public, such as homemaker home health services. Some of the specific services include:

- Administration on Aging
- Assistance Payments Administration
- Community Services Administration
- Medical Services Administration
- Rehabilitation Services Administration

The committee for the 1971 White House Conference on Aging is not a part of SRS or AoA, but under White House jurisdiction.

V—SSA (Social Security Administration)

Many people confuse SSA with SRS. SSA deals with social security primarily. Some specific SSA areas are:

- Bureau of Disability Insurance
- Bureau of Health Insurance
- Bureau of Hearings and Appeals
- Bureau of Retirement and Survivors Insurance

Functions of the Bureau of Federal Credit Unions (HEW) were transferred from SSA to the National Credit Union Administration by act of March 10, 1970 (84 Stat. 49; 12 U.S.C. 1752).

VI—OE (Office of Education)

Eleven of the many Office of Education divisions are:

- National Center for Education Research and Development
- National Center for Educational Statistics
- Bureau of Educational Personnel Development
- Bureau of Elementary and Secondary Education
- Bureau of Adult, Vocational, and Technical Education
- Division of Manpower Development and Training
- Division of Vocational and Technical Education
- Division of Adult Education Programs
- Bureau of Education for the Handicapped
- Bureau of Higher Education
- Institute of International Studies

VII—OCD (Office of Child Development)

The OCD is concerned with day care centers, headstart programs, and other services, which formerly were administered by the Children's Bureau, HEW.

For the remainder of my time I would like to briefly discuss the new concept of "Career Education" which is becoming more and more important in the Office of Education, and particularly in the Bureau of Adult, Vocational, and Technical Education Division of Vocational and Technical Education. Through career education we should be able to offer more to rural people than ever before; therefore, I would like to share with you a few of the thoughts concerning this new thrust in education.

Career Education Concept

"American schools are producing too many youngsters who qualify neither for a job nor for college. Many high school graduates go on to college only because they haven't the vaguest idea of what else to do. In order to overcome this problem, Dr. Sidney P. Marland, Jr., U.S. Commissioner of Education, has made career education a top priority of the U.S. Office of Education. This fall, in a speech before the thirty-third session of the International Conference on Education in Geneva, Dr. Marland described the rationale for career education.

"Career education is designed to give every youngster a genuine choice, as well as the intellectual and occupational skills necessary to back it up. Career education is not merely a substitute for 'vocational education,' or 'general education,' or 'college-preparatory education.' Rather, it is a blending of all three into an entirely new curriculum. The fundamental concept of career education is that all educational experiences—curriculum, instruction, and counseling—should be geared to preparation for economic independence, personal fulfillment, and an appreciation for the dignity of work.

"Career education will eliminate the artificial separation between things academic and things vocational. [Vocational education is only one component of career education.] Three factors will distinguish career education from traditional vocational education: (1) *It will be offered as part of the curriculum of all students;* (2) *it will permeate the entire spectrum of a youngster's education, from kinder-*



garten through high school; and (3) it will offer a much wider range of occupational choices than are now available in regular vocational education programs."¹

The National Center for Educational Research and Development of the U.S. Office of Education has launched a systematic effort to design and implement new strategies in career education. The goal of the career education program is to insure that all children and youth leave school with skills sufficient to obtain employment, pursue further career training, or enter higher levels of education. An additional goal of the program is to promote the career opportunities of individuals who have left school, by developing more flexible educational delivery systems. The model will offer comprehensive individualized curricula, work experiences, and counseling and placement services.

The career education program will significantly involve local communities and organizations in the private and public sectors in its development.

The U.S. Office of Education has developed plans for three types of career education models. The models are to be developed and tested in real situations, and refined to make them exportable to other locations. The models will stress increasing the career options available to individuals in a changing society. The goal is to enable every student to select a career plan compatible with his abilities and aspirations.

The *school-based career education model* seeks to revitalize education by restructuring the curriculum to include the career education theme. Because career atti-

tudes and competencies begin to develop at an early age and are modified over a period of time, career education in this model will begin as early as kindergarten through revised curriculums that relate reading, writing, and arithmetic to the varied ways by which adults earn a living.

"As a youngster advances into junior high school, he will select three of 15 occupational 'clusters'—broad groupings of related occupations such as [consumer and homemaking education (vocational home economics), personal services], fine arts, and health—and begin exploring the nature of careers in each.

"By senior high school, he will concentrate on one cluster, developing sufficient skill in a specific occupation to qualify for a job. All students will have an opportunity to enjoy actual work experience during their high school years through cooperative arrangements with business, industry, and public institutions and agencies. Yet each student's program will retain sufficient flexibility to enable him to switch to a related occupation later with a minimum of additional training. In addition, each student in a career education program will always retain the option of going on to higher education. Thus, career education will demand no permanent bondage to a single career goal. Rather it will reveal to students the great range of occupational options open to them and help them develop positive attitudes toward work" and toward life in general.

Occupational clusters, representative of the entire world of work and around which a career education system might be designed, are: Business and Office Occupations, Marketing and Distribution Occupations, Communications and Media Occupations, Construction Occupations, Manufacturing Occupations, Transportation Occupations, Agri-Business and Natural Resources Occupations, Marine Science Occupations, Environmental Control Occupations, Public Services Occupations, Health Occupations, Hospitality and Recreation Occupations, Personal Services Occupations, Fine Arts and Humanities Occupations, and Consumer and Homemaking-Related Occupations.

Education Programs. The Division of Vocational and Technical Education has the major responsibility for the development of the school-based model with 15 occupational clusters being piloted.

The employer-based career education model is designed to meet the individual learning needs of a cross-section of young people, ages 13-18, who are seeking a significant

alternative to their current educational environments. Each implementation of the model will be directed by a consortium of public and private employers. The goals are to provide a comprehensive and rewarding educational program and to demonstrate the relevance of the educational process through intimate student involvement in professional and industrial operations.

Two educational laboratories (Research for Better Schools, Philadelphia, and the Far West Laboratory, Berkeley) have received a total of \$2 million to perform in-depth feasibility studies of the employer-based model concept and to define specifications for the implementation of the model. In addition, the Center for Urban Education in New York City has received \$300,000 to assist the USOE in extracting and analyzing data from current career education programs which have components similar to the USOE's model II concept. This strategy will permit the consortia to commence their activities early in 1972, not only with the benefit of the two feasibility studies, but even with the experience of similar activities.

The Home-Based Career Education Model is designed to increase the "Career Education" opportunities of individuals who have difficulty assessing the programs in educational institutions. The first major component to be developed is a nationwide career-oriented television program for the woman-in-the-home. The program will provide career information and emphasize the range of career possibilities available to every individual. A set of supporting services, including career clinics and home instruction in career-related skills, will be developed as supplements to the TV program.

The Education Development Corporation, Newton, Massachusetts, is conducting studies in three major areas: in-depth definition of population characteristics appropriate for a Career Education TV series; development of an evaluation plan for the series; and conceptualization and feasibility studies of supporting components.

The Rand Corporation is conducting an analysis of successful media-based educational programs so that the USOE can develop a prototype for the implementation of the home-based model.

¹ From speech on "Career Education" given by Commissioner of Education, Sidney P. Marland, Jr. before the Thirty-third Session of the International Conference on Education, Geneva, Switzerland, September 15-23, 1971.

EDUCATION AND MANPOWER TRAINING EMPLOYMENT SERVICE COOPERATION WITH COMMUNITY COLLEGES IN RURAL COMMUNITIES

*By John S. McCauley
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The rapid growth of community colleges in recent years reflects recognition of the important services being provided by these institutions. One of the great advantages of the community college is that it makes it possible for many young people to begin a college career without leaving home. The community college also provides students with a solid foundation for technical jobs and other employment in local business or industry. The opportunities within such an institution to sample a variety of occupational fields make it an excellent arena for career exploration. The community college can also perform a most valuable function by serving as a catalyst for community development and a wellspring of ideas for dealing with and helping solve community problems.

For its part, the Employment Service in recent years has greatly expanded its programs for helping to match job opportunities and applicants. The Congress has recently given the Employment Service additional responsibility for a wide range of activities, including helping returning veterans find employment, providing employability services for the disadvantaged, identifying needs for manpower training and helping develop training projects, and referring

jobseekers who qualify under the Emergency Employment Program. The public employment service network maintains approximately 2,300 local offices throughout the country with a current staff of approximately 40,000 members.

An important new technique which will enable the Employment Service to perform more efficiently is the computerized Job Bank. Job Banks are already operational in almost all major cities in the country, and Statewide Job Bank systems are now being implemented in most States. It is expected that statewide systems will be operational in all States by the end of this fiscal year. This means that the rapid transmission and printout of job information which the Job Bank makes possible will enable an applicant to learn about job openings listed with the Employment Service in every part of the State. Information on job opportunities will also be interchanged among the States.

The State Employment Service can help the community college in a number of ways, including the following:

1. Providing information on employers' manpower requirements.
2. Referring prospective students to the college.
3. Assisting with the vocational counseling of students who are about to enter the labor market.
4. Helping to find jobs for graduates and dropouts.
5. Collaborating on efforts for community development.

Each of these will be discussed below.

1. Employer's Requirements

Information about skill requirements and training needs in various occupations is obtained by the State Employment Service through their day-to-day contacts with employers. Additional information is obtained through special surveys and inventories of community manpower needs and resources conducted by Smaller Communities Teams. These are mobile teams which help serve areas where local offices are not economically feasible.

Community colleges sometimes collaborate with the Employment Service in conducting manpower inventories. For example, the Illinois State Employment Service contracted with Kishwaukee College to conduct a manpower inventory of the DeKalb area during the summer of 1971. Fourteen faculty members interviewed employers and over 1,300 local residents. Additional information was obtained by questionnaire from more than 7,000 local residents.¹

2. Student Recruitment

Information about the educational needs of individuals is obtained by the Employment Service both through regular operations and through special surveys. Employment Service Staff are therefore in an excellent position to make appropriate referrals to the community colleges. In some instances, the Employment Service can help arrange for com-

munity colleges to provide vocational training under the provisions of the Manpower Development and Training Act.

3. *Vocational Counseling*

Most local offices and mobile teams have trained counselors to help their clientele in working out their vocational plans. Such counselors could supplement the vocational guidance provided by the college. The Employment Service can also provide aptitude tests for students who need such help in making an occupational choice. Choosing a career helps a young person develop a sense of commitment and direction in the pursuit of his educational goals. Although career selection is difficult and the young person may change his career choice as he matures, it is unwise to put off this decision. As James Conant has said, "It is better for a young person to decide upon a career plan and then have to change it, than not to have any career plan at all."

Many adults could profitably be encouraged to return to school on a part-time basis. In some cases employers may be willing to collaborate in this endeavor by picking up tuition costs or permitting class attendance during normal working hours. Classes should be scheduled at convenient hours and, where feasible, classes should be held at the workplace. It is also helpful where the worker is able to see a relationship between his studies and what is needed on the job.

4. *Placement*

Placement facilities can help both graduates and those who do not complete their education find employment, as well as assist students in finding part-time or summer employment during college. The extension of the Job Bank will help improve this service.

5. *Community Development*

The Employment Service collaborates with other agencies in community development activities. For example, the National Office of the Rural Manpower Service has worked with other Federal agencies in organizing an interagency approach called Concerted Services in Training and Education (CSTE). This approach was conceived as a pilot effort to assist smaller communities and rural areas by demonstrating that education and occupational training, in conjunction with economic development activities, can significantly increase employment opportunities; and that educational and occupational training efforts, with local involvement, will help develop local leadership, individual dignity and initiative, as well as community awareness.

CSTE pilot projects are now underway in 13 States: Arkansas, Minnesota, New Mexico,

Oklahoma, West Virginia, Kentucky, Illinois, Georgia, Montana, Texas, Nebraska, Maryland, and Maine. These projects consolidate the combined resources of appropriate Federal, State, and local agencies to help meet the occupational training and related educational needs of the residents in small towns and rural areas. Participating agencies share the expense of employing a local coordinator. In some areas the coordinator has his office at a community college.²

To assure development of good working relationships with the public employment service, community college officials are advised to enter into discussions with the Director of the State Employment Service. It may be desirable to develop a written agreement. In North Carolina, for example, a series of written agreements have been developed between the State Employment Service and the State Department of Community Colleges. The agreements cover several activities, including aptitude testing, employment counseling, registration for employment, placement, enrollment in MDTA training, and test research.

Many of the forms of collaboration mentioned above can best be carried on in communities with a local office of the State Employment Service. Nevertheless, substitute arrangements for providing manpower services can be developed in communities in which there is no local office. Experiments are now being conducted to determine how such arrangements can best be made. For example, under "Operation Hitchhike" the State Employment Service contracts with an institution already established in the community to perform certain manpower functions. Such contracts have been made in several States with the Cooperative Extension Service. These agreements include provision for establishing a manpower unit within the local Extension office. The Employment Service usually outstations a representative to work in the manpower unit. The National Office of the Rural Manpower Service is desirous of developing similar pilot projects with community colleges.

Working together, community colleges, the Employment Service, and other interested organizations can do much to improve the educational and employment opportunities that are available to people living in small towns and rural areas.

¹ Additional information concerning this survey is provided in a leaflet *Kishwaukee Manpower Inventory-71*, Kishwaukee College, Malta, Ill.

² For a detailed discussion of the Concerted Services Approach see John S. McCauley, *Concerted Services in Rural Manpower Developments*, Manpower Administration, U.S. Department of Labor, p. 3, Sept./Oct. 1971.

THE EXTENSION SERVICE ROLE IN EDUCATION AND MANPOWER TRAINING

*By Gene M. Lear
Associate Administrator
Extension Service*

It is a pleasure for me to join with several others representing the Extension Services at this national conference. The community college leadership and the USDA leaders responsible are to be commended for making such a meeting possible and on the very critical subject facing the Nation—that of rural development.

The suggestion was made that we begin by briefly identifying ourselves and the agency's role. Since I have been adequately identified in your program, I'll try to explain the Extension Service.

This can best be accomplished by pointing out there is an Extension Service system. Each land-grant university or college in every State has an Extension Service organization. In every case there is a Director of Extension who is responsible to the university or college president and to the Secretary of Agriculture for conduct of the Cooperative (or in some States, agricultural) Extension programs. In addition, there is the Extension Service unit of the USDA, where I am located. This Washington, D.C. unit of Extension is small. In fact, most State Extension staffs are larger than the ES unit.

The Extension Service, Washington, D.C., is the Secretary of Agriculture's means of administering the Smith-Lever Act which, together with State enabling acts in each State, authorized the establishment of the Extension Service system. The ES unit sees to the proper allocation and expenditure of funds appropriated by Congress for use by the States, provides some regional and national program coordination, provides assistance to States for staff and program development and administrative management, and provides interpretation and support for the Extension budgets and programs at the Federal level.

All States have field staff and central staff of subject matter specialists supported by a small administrative and supervisory group. Most States' programs fall into four major categories:

1. Agriculture and natural resource production, marketing and management.
2. Home economics and family living.
3. 4-H and youth development.
4. Community resource development.

In many States now—most, if not all—resources of the university or college participate in some measure in the Extension function. The schools of agriculture, home economics, forestry, science, and humanities are usually the largest participants.

We know most if not all of you are aware of this organization. We also know many of you in the junior, vocational, and community colleges are now directly involved in many ways in joint or cooperative efforts. In late September, I attended a regional meeting of Extension Service adminis-

trators for the North-Central United States. One-half day was devoted to reports of developments underway between the Extension Services and the junior, vocational, and community colleges.

In summarizing this half day, I was impressed by the many exciting developments taking place. It would be worthy of our time to list some of them. From reports we have had from other States, we know working relationships of a varied nature are occurring all over the country and similar to the cases here cited. For example:

1. In Illinois where there are 45 public junior or community colleges, 25 have Extension activities in agriculture and home economics. The Illinois Extension Service has assigned a county staff member to perform a liaison role with these institutions in his county. Expanding relations are developing. A working policy statement has been jointly developed by the Junior College Board and University of Illinois.
2. Missouri also has a joint working statement providing current "ground rules" for joint, cooperative, and mutual efforts. This document identifies program areas, joint use of facilities and equipment, joint and other staffing arrangements. At least one of the new University of Missouri Extension Area Center offices is located on a community college campus.
3. In March of this year in Wisconsin a joint arrangement was negotiated to assure a working relationship among vocational, technical, and adult education, Wisconsin State University, and the University of Wisconsin Extension Division. This arrangement related to joint effort in agriculture but may well be the forerunner of many other joint undertakings which result in better programs at the local level with a maximum of coordinated resources.
4. We could cite some similar cases of activity of a joint nature for many others but they would be repetitious. Coming through clearly was strong support for the junior and community type colleges from all the States to help support the vocational and transfer credit programs. Incidentally, some of you may wish to contact your associates in the States of Missouri or Illinois if you wish to see copies of the working agreements referred to.

Since the main objectives of this meeting are to deal with rural development and to identify expanded opportunities for the community colleges, I will risk discussing some Extension programs most States are currently involved in. It is a risk because some of you are probably better informed about some of these than I am.

We are all aware of the continuing increase in the productivity of our farmers and the increasing mechanization that goes on. The movement of people from the farms to towns and cities goes on. For many years we did little to prepare many of these rural migrants to cities with needed trades or skills. In fact, common labor or other jobs for which they were qualified were available.

This either has changed or is in the changing process.

Extension, therefore, finds itself much involved in helping to bring about more manpower development, job training, job surveys, and education programs aimed at this need.

One program, now conducted in about 13 States, called CSTE (Concerted Services in Training and Education) is a community effort combining all agencies with a coordinator as project leader. This was explained more completely by Mr. McCauley of the Labor Department. We know some community colleges are involved. More can become involved. A study made of this program showed a tendency for more industry to locate in rural areas where such a program existed.

Another program called Operation Hitchhike, funded by the Labor Department, is now operating in about nine States. Extension's familiarity with rural people and communities and the fact that the Labor Department does not have local offices in some rural areas has made this program a reality. More community and vocational colleges need to be involved—some are now. The Extension Service in a State has been funded to put a full-time staff member in an area to work on all aspects of jobs, training, and employment.

In other words, surveys are made to identify job opportunities or business needs for workers. People underemployed or unemployed are made familiar with training and education programs and opportunities and then job placements are made.

Extension staff members in most States carry continuing programs for their rural clientele and areas concerning MDTA (Manpower Development and Training Act), the work incentive (WIN) program, the Neighborhood Youth Corps (NYC) employment for school youth, as well as many specialized programs for training and employment. For example, an area Extension worker reported the past year he has assisted in the development of new training programs for (a) the repair of inboard and outboard marine engines, (b) waitresses in a new commercial recreation service activity, (c) on-the-job training for workers in a new plastics plant, (d) travel service guides or assistants in the recreation area, and (e) typists for office work.

We would be sure you are aware of such programs as the work-study assistance to regular students, and the consumer-homemaker program designed to help youth and adults for the role of homemaker and wageearner. Also, the work-school programs for those getting instruction while performing in an on-the-job situation. I only mention these to let you know Extension staff members are much involved in trying to get as many of these programs operating for the benefit of the people and the communities as seem to fill a need.

We wouldn't want to leave the impression that the kinds of programs we have been discussing make up all or even the major Extension effort in rural development. We believe the ongoing major support provided farmers and agricultural businesses and communities is an essential to rural development. We also include the ongoing programs for youth development, the 4-H programs and other youth programs as important.

Special community resource development Extension

staff now conduct education programs relating to housing, planning and zoning, environment, leader training, problem or need surveys, health and safety, as well as the many job or training programs we have discussed.

The home economists of the Extension staff also provide many educational programs that strengthen the home, family, and community. We know many needs are being provided by the community colleges in these same areas (perhaps except for the youth programs) and many cooperative, joint, or other mutual relations exist between the Extension Services and local community colleges. In two States, I know, contracts exist where the Extension Service has agreed to provide the staff and conduct the home economics subject matter in the community colleges.

Secretary Hardin has said that space-starved cities and opportunity-starved rural communities demonstrate the need for a sound national growth policy. The mounting pressures in congested cities must be relieved and the creation of vital new growth throughout rural America must be hastened if we are to halt and then reverse the rural to urban migration of recent years. The community college has a vital role to play in this national growth policy.

EDUCATION FOR MANPOWER: TO SERVE THE PEOPLE BETTER

By K. G. Skaggs

Educational Services

American Association of Junior Colleges

I am presenting my material with the strong conviction that the community junior colleges are challenged to play a vital role in opening up educational opportunities to the rural population of this Nation.

More than two-thirds of the population of the United States lives on about 2 percent of the land, while one-third lives on the remainder. Estimates tell us that one-third of this rural population lives in poverty, accounting for in the total population of the Nation both rural and urban, almost half of all impoverished Americans. According to Walter G. Daniels the effect of poverty upon children may be more debilitating in a rural area than in an urban one.

Rural areas of our country create their own special needs for services. With a tendency indicated in the last census for some of those in the urbanized population to move back into rural areas if *proper and needed services are provided*, the community junior college may be most influential in providing these basic needs and requirements.

People now in rural areas, and those moving into them, want police and fire protection, hospitals and adequate health and medical service delivery, libraries, employment opportunities, and, very important, educational opportunities for themselves and their children.

This is the opportunity and the challenge for the non-urban community college.

Occupational education programs should be a vital part of any comprehensive nonurban community college, if that institution is to serve effectively and well the needs of its population. Emphasis in these programs must be placed

TABLE 1.—SUGGESTED CAREER EDUCATION EXPERIENCES BY GRADE LEVEL

School-Based Model

GRADES 1-6	GRADES 7-8	GRADES 9-10	GRADES 11-12	100% PLACEMENT	JOB
STUDENT DEVELOPS SELF-AWARENESS AND UNDERSTANDING OF HIS INTERESTS AND ABILITIES					
STUDENT DEVELOPS ATTITUDES ABOUT THE PERSONAL, SOCIAL, AND ECONOMIC SIGNIFICANCE OF WORK					NON-BACCA-LAUREATE PROGRAM
OCCUPATIONAL AWARENESS: Student is informed about occupations through a series of clusters representing the entire world of work.	OCCUPATIONAL ORIENTATION AND EXPLORATION: Student explores several clusters of his choice.	OCCUPATIONAL EXPLORATION IN DEPTH, BEGINNING SPECIALIZATION: Student selects one cluster to explore in greater depth. Develops entry-level skill. May change cluster if desired.	SPECIALIZATION: Student specializes in one cluster. Takes prerequisites for further education and/or intensive skill training for job entry.		BACCA-LAUREATE PROGRAMS

upon the individual—employment as a source of income and status for the worker is more important in rural areas than manpower as a societal economic resource.

It is interesting to note that there are about 600 rural or nonurban community colleges in this Nation located in communities of 100,000 population or less. About 40 percent of these are in communities of less than 10,000 population. Generally speaking, and this may be significant, in those communities where junior colleges are located, the population is showing an increase. Only 16 percent are located in communities showing a static or decreasing population.

Studies also indicate that in these institutions, while agriculture and national resource programs are on the increase, the more popular offerings are in business, science and engineering, allied health, and industrial technologies.

In developing opportunities for education, the nonurban institutions face some realistic problems. Money to operate is not the least of these. Many of these institutions are small in enrollment compared to urban colleges, and in most States budgets are set in relation to student full-time equivalent enrollment. Finding and holding qualified teachers in a rural setting is another knotty problem. I had the privilege of serving as president of a nonurban institution for 15 years. Our college was located in a town of 7,500 population, the largest center in our three-county district. Prospective teachers almost invariably asked, "But what do you *do* here when you're not teaching?"

However, there are some plus factors, too. Nonurban institutions have fewer problems of communication, and fewer problems in relationship, both with people and with their community.

The rural community colleges can do an excellent job in serving needs of their communities. To do this, they must make accurate and usable surveys, they must accept the premise that to engage in offering career education opportunities they must broaden their programs beyond the rather narrow limits set by the rural district, and they must seek funding from outside sources to supplement their

regular budgets. More than community colleges in urban settings, perhaps, they must become true community activity centers, drawing onto their campuses all the population of their area, not just the college age group, but adults as well.

There are a number of community colleges in rural settings that have successfully reached out into their communities and struck sparks that fanned the flames of interest and support that burn brightly in what was before an educational twilight zone. You know some of these institutions, perhaps yours is one of them. In recent news the following institutions received commendation for their outreach into the community and their perception of community needs. Colby Community College in Kansas is one such college. At Abraham Baldwin Junior College in Georgia, a great program called SURGE has brought 115,426 people onto its campus in the past several decades enrolling in 888 short courses especially designed to meet community interests and community needs. Sixty-three noncredit courses have been offered at the college since 1966, with an enrollment of about 1,250 people. Southwestern Michigan Community College involved citizens, students, and faculty in a tremendous social action program that has revitalized the rural community served by the college. Walla Walla Community College in Washington looks to the agricultural and agribusiness needs of the community in a variety of programs—short term, institutes, regular length, noncredit. Central Oregon Community College involves students and their parents in mutually shared educational activities, including orientation retreats for new students. Green River Community College in Washington involves itself in programs open to all in "community problem solving."

Many more examples could be given, and you could add more to my list. But one prevailing theme runs through all the success programs for rural community colleges—these institutions all abandoned the traditional and reached out from their campuses to bring the community in. Almost all that they developed and planned resulted in increasing in

some way the manpower requirements of their communities—giving people all kinds of opportunities to learn how to do things better. Traditional courses and programs for some, continuing education programs for some, workshops and institutes for some, and short term programs for others.

It should also be said that for the rural community college, agriculture in education has not disappeared. Last year there were 885 associate degree agriculture and agriculture resources programs offered, mostly in the rural colleges; 157 certificate programs; 233 adult education programs; and 329 new programs being planned and developed for opening within 2 years. Over 40,000 students were enrolled in these agriculture programs.

But—and this becomes perhaps the basic message I wish to leave with you—the rural community college cannot do

it alone. The few examples I have given you, illustrating what *could* be done, emphasize the fact that they also reached out for help to accomplish their goals. Their partners were the experiment stations, Cooperative Extension Service, departments of vocational education, Soil Conservation Services, Farmers Home Administration, colleges of agriculture at neighboring universities, farm guilds and auxiliaries, and a variety of other agencies and organizations.

If we are to serve, and serve well, we must draw on all resources available to us.

Most formally written statements of objectives and goals of community junior colleges begin with these words: "In order to serve the people better . . ."

This is what we're here for!



HEALTH, RECREATION, AND CULTURAL OPPORTUNITIES IN RURAL AMERICA

ROLE OF THE COMMUNITY COLLEGE IN RURAL DEVELOPMENT

By Dr. Donald L. Newport,
Co-Director, Mountain-Plains Community
College Leadership Program
University of Colorado

Up to this point in our 3-day workshop, we have heard a great deal about WHAT our challenges are in rural America and WHY there is a need for us to get down to the very real business of solving some of these concerns.

We've heard several fine presentations tell us that rural America is in trouble... that we are becoming extinct. Census figures support his contention showing that for the past 25 years, rural communities have lost 800,000 people per year to the urban centers and 20,000 farms each year have gone out of existence. Moreover, for those of us left in rural America, over 50 percent living in towns under 2,500 earn less than \$3,000 per annum. Rural America educates 36 percent of the Nation's young people, though it has only 25 percent of the Nation's income. We have recognized for several decades that rural America has become one of the casualties of agricultural progress—a progress that is aided by a public policy of high farm production.

But, we all knew this—maybe not the exact figures, but

we know for instance, that when our children graduate from high school, the odds are against them returning to the farm. The fact is that in order to keep up with the depressed farm prices, we have to produce more, but in order to produce more, we go further and further into debt. We've all seen the ages of our neighbors on farms and in farming communities continues to creep upward.

Medical services, recreational opportunities, even high schools get further and further away from us. These are big problems, but we have known about them for years.

Now the question is, "What are we going to do about them?" More specifically, what can the 600 public community colleges located directly in rural America contribute to solving this national problem? These are typically small, but strong, viable community-oriented institutions that are not located in State capitals or metropolitan centers. They are situated where the action is.

Beginning our discussion this morning on the role of the 2-year college in rural development and focusing specifically on the areas of health services, cultural opportunities, and recreational facilities, I am very pleased to introduce:

Dr. Otto Hoiberg
Head, Community Development
University of Nebraska

Mr. Mel Davis
Soil Conservationist
U.S. Dept. of Agriculture

Helen L. Johnston
Rural Health Consultant
Dept. of Health, Education, and Welfare

CULTURAL OPPORTUNITIES IN RURAL AMERICA

By Otto G. Hoiberg, Head
Community Development Extension Division
University of Nebraska

Two major premises appear relevant to any discussion of cultural opportunities in rural America.

First: *"Quality of life" is important for people, regardless of place of residence.* Meaningful experiences in the cultural arts are as essential to the "good life" on a Kansas farm and in a New Hampshire village as they are in New York City or Los Angeles.

Second: *Inborn talent in the cultural arts is not confined to urban areas. In the national interest, it should be identified and nurtured wherever it appears.* Aaron Copland was born in Brooklyn; but Laurel, Miss. gave the world Leontyne Price.

For years it has been a favorite pastime among feature writers and TV commentators to picture the small town, particularly in the Great Plains region, as devoid of almost everything that makes life really worth living. These spokesmen are afflicted with what might be called a *scrawny cat/tumbleweed syndrome* relative to rural America.

I am fully aware of the small-town problems which these

reports so vividly portray; but I am equally aware of a *positive* side to rural America that needs to be more clearly understood. Let us address ourselves to the latter, with particular reference to the cultural arts.

The task of improving cultural opportunities in rural America has two major facets. One relates to *increasing the number and quality of programs* that are available to people in rural areas. We are thinking here of (a) programs that are brought into the community from outside sources, like a string quartet from a neighboring college town; (b) programs that small town citizens travel elsewhere to enjoy; and (c) programs that are indigenous to the rural community itself.

The other facet of improving cultural opportunities in rural America has to do with the *value systems and priorities* of the people concerned. Opportunities for rural Americans to enjoy the cultural arts are of no avail unless these opportunities are *used*.

It should be stated, incidentally, that rural Americans have no corner on disinterest in the cultural arts. Their metropolitan cousins are notably similar in that respect. The trouble is that it shows more in the rural community. A 10 percent minority of culturally interested persons in a community of 2,000 population provides only 200 kindred souls to carry the program, while a comparable 10 percent in a city of 200,000 gives 20,000 to draw upon for support and participation.

This matter of motivation is of real importance. As I have observed the scene over the years, people tend to fall into four classes, so far as interest in the cultural arts is concerned:

- Class I consists of the dim-viewer who chooses to enjoy a can of beer and a TV western, with Van Cliburn in concert across the street.
- Class II relates to the person who will attend a concert, art exhibit, or a play if it happens to come around and at a convenient time.
- Class III folks watch for, and actively seek out, quality programs in the arts to attend.
- Class IV people are the relatively rare breed who provide leadership and take the initiative in program development.

A few suggestions come to mind here for the rural community that wishes to build a greater interest in the arts among its citizens:

- Make a concerted and continuing effort to build the fine arts into the on-going programs of local schools, churches, and other pertinent social institutions. Exposure to the arts enhances appreciation of them.
- Organize a local arts council and maintain a close relationship with kindred groups on the State, regional, and national levels. In union there is strength and inspiration.
- Help local business to recognize that a community with a good program in the arts is likely to be stronger economically because of it.
- Keep prices of admission to quality programs at reasonable levels.
- Use judgment in scheduling, to avoid conflicts with

currently priority activities such as bowling.

- Involve young people as much as possible.

The availability of cultural opportunities in rural America is today greater than ever before, due in large measure to increased mobility and to advances in communications technology. To get an accurate reading of the situation, we must not restrict our thinking to the opportunities available in the rural community itself. There exists, in fact, a three-level hierarchy of cultural opportunities that includes not only the offerings of the village or small city, but also those of the larger growth center in whose orbit the small town finds itself, and finally the opportunities that beckon in the major metropolitan centers that are within reach.

This three-level hierarchy of cultural opportunities actually is capable of providing a fairly well-rounded program of substantial quality for the rural people who care—and if they *don't* care, the greatest opportunities on earth will of course be meaningless. Permit me to illustrate these three levels in hypothetical context.

At the local rural community level is *Smalltown*, population 1,000. Entirely feasible in such a community, given people who care, are cultural opportunities of the following types, for townspeople and farm families alike: School musical programs and plays, community little-theater performances, special church and interchurch musical events, art club activities, music listening groups, Great Books discussion programs, reading circles, book review clubs, film series, ethnic festivals, historical pageants, and so on.

To supplement and enrich such local offerings, the citizens of *Smalltown* can turn to *Area City*, a neighboring growth center of 10,000 population located about 40 miles away. Here an annual series of outstanding community concerts traditionally draws people in substantial numbers from the several adjoining counties. These concerts present artists from "the Met" and other cultural institutions of high quality.

An alternate second-level (area) approach is found where a group of small towns band together into an organization to attain a common cultural goal. For a quarter of a century, to cite an example, the village of Big Springs, Neb. (population 472) has been the seat of an annual concert series normally found only in cities of far greater size. Their strategy is very simple indeed. Together with kindred souls in 12 or so other communities in western Nebraska and eastern Colorado, they formed the Platte Valleys Music Association; and through it may accomplish what none of them individually could possibly do. There is no fanfare about this program. Quietly and systematically, through joint action, they have gone about creating a cultural opportunity that they desire for themselves.

A fascinating example of how yet another type of regional group can encourage and support cultural activities in the small towns of a multicounty area has recently come to my attention in the State of Minnesota. Here the Southwest Minnesota Women's Association for Fine Arts, Inc. (SWAFA) has hit upon the capital idea of establishing a "culture bank" to counteract the rather inhibiting fear of

"going in the hole" when cultural events are sponsored by local groups. As SWAFA puts it: "The Culture Bank functions as an underwriting service. A Southwestern Minnesota community wishing to bring in a play or a concert may apply in advance to the SWAFA Cultural Bank for financial backing. The community promises to conduct an energetic publicity and ticket sales campaign. Funds from the 'Bank' are used *only* if the ticket sales do not pay for the price of the production. If the sales exceed the cost, the community (usually the local SWAFA chapter) may keep the profits."

Getting back to our hypothetical example of a hierarchy of cultural opportunities, the people of *Smalltown* can, as indicated, enrich their local offerings by participating, perhaps several times each season, in programs of area-wide interest presented at *Area City*. Beyond these *local* and *area* programs, is the third level, *Metropolis*, to which they have access as time and affluence permit. *Metropolis* appears to be within easy reach for thousands of enthusiasts during the football and baseball seasons, so why not also during the seasons of the cultural arts?

Rural Americans are not without friends in the larger society when it comes to developing cultural opportunities. In fact, there is a growing number of resources available to them. Let me outline briefly just a few:

1. *Institutions of Higher Learning.*
 - a. Opportunities on campus: Museums, concerts, art galleries, classes, training programs for youth.
 - b. Student and faculty recitals outstate.
 - c. Travelling art galleries, plays, and dance groups.
 - d. Community workshops, seminars, classes.
 - e. Extension consultation (e.g. the Nebraska "string plan" to encourage string groups and orchestras throughout the State; the Wisconsin statewide amateur painting concept, etc.)
 - f. Publications relating to the cultural arts.
 - g. Educational television and radio.

In view of their proximity to the local community scene, it would seem that the junior and community colleges of the nation would have a particularly significant role to play as resource agencies in the cultural arts.

2. *Voluntary associations* of many kinds can be helpful to communities that want to develop or improve their local cultural opportunities. Prominent among these are historical societies, adult education associations, library and literary groups, arts councils, drama organizations, and music associations. Such bodies are numerous, and they exist basically for one reason: to promote the cause!
3. *State agencies.* Every State in the Union seems actively interested in promoting tourism within its borders. Communities that have potential cultural opportunities that might be of interest to travelers have a rather easy time catching the eye and perchance the helping hand of the State authorities concerned. Further, there are increasing numbers of States that are employing community development specialists to work statewide with all facets of

community living, including the cultural.

4. *Foundations and patrons of the arts* should always be kept in mind as possible sources of financial support, particularly during the initial stages of developing an innovative program.
5. And finally, we come to good ol' *Uncle Sam*. In the vast array of activities now drawing support from Federal funds, it is a pleasure to note that the cultural arts are now finding a recognized place. With Congressional appropriations on the upgrade for the National Endowment for the Arts and the National Endowment for the Humanities, it seems that at long last the United States has learned what our neighbors abroad have realized for generations: that some degree of Government subsidy is essential if the cultural arts are to realize their full potentials. A task confronting us now, however, is to make sure that the Federal funds find their way, in reasonable proportions, to rural America as well as to major metropolitan centers.

There is reason for a guarded optimism concerning the future of the cultural arts in rural America. The growing urban crisis—congestion, crime, pollution, and sheer mass—is leading our Nation to a thoroughgoing consideration of how the great rural areas that fortunately still remain can be made more attractive in due time to the millions of new citizens who are being added to our population from year to year. The principal hope lies in creating more job opportunities and higher incomes in rural regions, on the one hand, and in improving the services there—business, governmental, educational, recreational, and cultural—on the other.

Rural America must be prepared to do its part in this great national effort. Its contribution will be enhanced by the fact that *Smalltown* no longer stands alone as an isolated entity. Rather, it is rapidly becoming an integral part of a larger, expanding "community of communities"; and while this entails a loss of former independence for it, the benefits that it derives from belonging to the larger social system are substantial. Inherent in this fact lies potential for the future growth of cultural opportunities in rural America.

RECREATIONAL OPPORTUNITIES IN RURAL AMERICA

By R. M. Davis

Pennsylvania State Conservationist

As Chairman of the Pennsylvania Rural Development Committee, I am pleased to have the opportunity to participate on this panel entitled "Health, Recreation, and Cultural Opportunities in Rural America." Under the leadership of our moderator, Dr. Newport, we have agreed that each one of us would limit his remarks to certain segments of the panel's title. Therefore, I shall deal primarily with recreational opportunities in rural America.

I did a little research on the number of 2-year and post secondary schools in the United States. I found there are about a thousand of them, and that the number is growing

at the rate of about one every week. With this number of institutions, in my opinion you can have a tremendous impact on properly utilizing the natural resources of this country and meeting the manpower needs that it will take to do it.

I could make a blanket statement, saying there are recreational opportunities in rural America, and be absolutely correct. But my assignment today is to go beyond that and mention perhaps what the community colleges and vocational schools can do to assist in the development of rural America, with special emphasis on their role in recreation.

Most of us have heard that the Nation's forests and parks are being used by many more millions of people for recreational purposes each year. This should point out to all of us the recreational opportunities that exist for the private sector in rural America. Let me further state that normally State and Federal parks and recreation areas do not compete with private outdoor recreational facilities but, rather, complement them.

As you know, rural development is closely tied to many things, not the least of which is the livability of the area upon which recreational facilities have an impact. We are told that the days are over when industrial locations were determined almost solely by the availability of certain natural resources used in the manufacturing processes. To be sure, these factors are still important but, today, a combination of factors go into selecting plant sites and the availability of outdoor recreational facilities is now an important one.

In many places in rural America, we still have the right combination of good land, water, climate, and scenic beauty which make them well suited for recreational facilities. The development of these areas will put the rural communities in a stronger position to attract the job-producing industries they need. And, in addition, we must remember that recreation itself produces jobs, for today it is a chief source of employment for many of our communities.

Recreational facilities today must go beyond the traditional picnic table and fireplace. The more sophisticated areas will include nature centers, trails, swimming pools, winter sports, play fields, study areas, and arts and crafts. These are the things our culturally oriented society is demanding on an ever-increasing scale.

There is no doubt that outdoor recreation will continue to be popular, particularly near population centers, along interstate highways and near natural beauty areas. They offer an escape, a place to get away from it all and the everyday problems of our urban society.

However, this type of modern recreation center will require supervision and maintenance. Special training and knowledge will be needed by the employer and the employee to make maximum use of the facilities.

Rural America provides an opportunity where there is still room, and where people want to go for recreation. They want to go there because they can get a breath of fresh air, relax, and enjoy all of the other things that are at a premium in our urbanizing society. Since the urbanites

are traveling to rural America for these luxuries, I believe that the community college and vocational school can help the landowners and operators plan and operate their enterprises so that people will continue to want to come to their area in their spare time.

Recreational opportunities in rural America, to be successful, must provide mutual benefits to both the landowner and the vacationer or user. Many times this will require landowners to work together in developing what might be called recreation complexes. An example would be where one owner might have the horses and hayrides, another do the catering of food and home-grown products, and still another use his land for a golf course. This type of arrangement provides opportunities for more specialization, perhaps smaller initial investments, and, I believe, an opportunity for greater profits to all.

There are specialized opportunities for people to make some money where they are not near centers of population but perhaps in areas used extensively by people who come in for a single purpose, such as hunting pheasants or deer. Landowners and operators can provide not only food and lodging but also serve as guides and provide transportation.

Any type of recreational opportunities to be successful must operate on a sound, businesslike basis, and today I believe we all recognize that this will require a certain amount of promotion and publicity. County or multi-county tourist promotion agencies perhaps can serve rural America the best, and besides that they may be eligible for State or even federal funds. One word of caution here—don't oversell an area. Disappointed tourists will provide more and quicker publicity than any tourist promotion agency ever thought of!

Farm vacations have become, and I predict will continue to be, very popular. Many of us don't think about this because of our backgrounds in rural America. But keep in mind that the generations of today and tomorrow are two, three, and more generations removed from the land and would enjoy a good farm vacation. Perhaps, working with the Extension Service in their home county, they could have a project for farm vacations and print their own brochure.

In many areas of the United States, recreation potential surveys have been carried out by local, State, and Federal agencies. This gives some indications to not only agencies and institutions but also to private landowners what the recreation potential may be in your particular area. If you contact the local office of the Soil Conservation Service, you should be able to find out if such an inventory has been carried out in your area.

The owner and operator will probably need training in pest control, turf management, public relations, water management and waste disposal, and health regulations. And waste disposal here means much more than taking the garbage out and dumping it along the road or over the hill. Our society will not tolerate that.

I could cite many successful recreational enterprises in Pennsylvania that can be duplicated in other areas of the Nation. And I could tell you about some sad experiences that may have been avoided had the owner been better

equipped to handle the facility.

Many people think that outdoor recreational facilities sound like a simple operation, but they really are not. A great deal of expertise needs to go into developing and managing them. Much of this assistance is available in most counties through the U.S. Department of Agriculture and other local, State, and Federal agencies at the county level.

Let me tell you briefly about a dairyman in northeastern Pennsylvania who turned his farm into a golf course, camping area, and motel with a restaurant and cocktail lounge. Today it is a major employment center in a rural area, and the families make a good living serving thousands of visitors to the facility annually. But this successful enterprise had careful and adequate planning. It complied with the zoning laws, rules, and regulations. The soils were all checked out to determine their feasibility for a golf course, drainage was installed, and specialists were called in to design the golf course. Agencies of the USDA provided the man much technical assistance, and the Cooperative Extension Service provided him with information on managing turf. I only cite this example to point out that we have much expertise in the agricultural field that is equally applicable to the recreational field.

But the question here is, "What role can the post secondary schools play in recreation developments in rural America?" First, let me say there is no doubt that you are serving a real need in improving rural America. Many schools have designed special vocations to meet the job demands, while others are now gearing up for the job ahead. I compliment you for your foresight and leadership in this work.

With your permission, I would like to make some suggestions which might add to the effective role you are now playing in helping to make rural America a better place in which to live.

I believe that the schools have the first obligation to become aware of the needs of the area they serve and determine how they can best meet these needs. This includes preparing appropriate studies, and recruiting and graduating sufficient students to satisfy the job demands.

To do this, post secondary schools will need to rely on manpower studies to determine the needs for recreation and jobs for tomorrow and the next 10, 20, or 30 years. You will have to carry out surveys and evaluate recreational potentials to determine the plant facilities and curriculum studies you will need to meet the demands that may exist in the years ahead.

I serve on an advisory committee for a community college in central Pennsylvania where there is a tremendous interest among the students in forest technology. The school has geared up to satisfy this student demand but perhaps has not fully recognized the limited job opportunities for forestry graduates in the area. Consequently, there is a current surplus of forestry technicians. A solution to this problem may lie in having a better knowledge of the demands for forestry technicians.

As you know, many of the recreation facilities are being developed by some level of government, either Federal, State, or local. I am suggesting that you become better

acquainted with them to determine their short and long-range plans involving the construction of recreation facilities. You will find that these agencies are willing to exchange ideas and discuss their proposed projects with you.

I would like to recommend that the post secondary schools become acquainted with the county rural development committee. Better still, they should probably become members of the committee and lend their assistance in helping identify the needs of the area.

It is also my hope that some of the post secondary schools will give consideration to the development of short courses for owners and managers of small recreation facilities on such subjects as camp sites, fee fishing ponds, horseback riding, trails, vacation farms, and simple bookkeeping. They need your help; for many of them lack the experience or knowledge needed to successfully operate a recreation facility. One of the most important ingredients here, in my view, is not only the making available of such courses but also to have instructors to carry out these assignments who have adequate training and the proper experiences to draw upon to make these courses really meaningful and successful.

I firmly believe that post secondary schools have an important role in rural development. In addition to providing the training needed by our young people to help plan, develop, and manage the outdoor facilities, they can help direct the development of the area by lending their expertise to the local rural development committees. This combination of knowledge and experience is needed to assist rural America develop its recreational opportunities for social and economic improvement.

Surveys and other information have indicated that young Americans want to work in the wide open spaces but, being realistic, the job opportunities are not always there. Rural development committees, working with your institutions, should be able to come up with a good solution to this problem.

HEALTH AND RURAL DEVELOPMENT

By Helen L. Johnston

Rural Health Consultant

Community Health Service

Health Services and Mental Health Administration

Problem

We are meeting in the heartland of one of the most affluent parts of rural America. Yet even in Nebraska nearly half of the counties of the State have three or less physicians. Some have none. Excellent highways and practically universal ownership of a family car have almost obliterated distance as a barrier to receipt of medical care—almost, but not quite. The elderly who must depend on relatives, neighbors, or friends for transportation, the families whose single car is in use during the day in connection with the wage-earner's job, and those too disabled to drive or too poor to own a car—for these people, even a short distance may make medical care almost unattainable.

In many rural areas, access to health care is a problem for all residents. It is a special problem for poor people. To

put rural problems for the Nation as a whole in the proper perspective, it is well to remember that the population outside standard metropolitan areas includes nearly half of the Nation's people living in families with annual incomes of less than \$3,000.

Chiefly in western United States there are now more than 130 counties without an active practicing physician. These counties taken together have a population of nearly one-half million. The number of counties in the "no-doctor" category has been increasing over the last decade and promises to continue to increase as elderly physicians die, retire, or move away and are not replaced.

The "no-doctor" communities are only the highlight of the problem. The ratio of physicians to population in isolated rural areas is about one-fourth that in large metropolitan centers. Specialists are conspicuously lacking in rural compared with urban communities. According to the 1970 Census, rural areas continue to have 25 percent of the child population, but only 4 percent of the Nation's pediatricians practice outside metropolitan centers.

Traceable at least in part to rural health care deficiencies, including the lack of readily accessible physicians, are the greater number of fatalities resulting from rural as compared with urban motor vehicle accidents. Another measurable effect is the lesser percentage of children 17 years of age or less who receive physical examinations. In standard metropolitan statistical areas, 43 percent of the children received a physical exam during the 12-month period ending in June 1963, compared with 28 percent of rural nonfarm and only 16 percent of rural farm children.

Such documentation makes it clear that concern for health and health care is—or should be—a central, not a peripheral, interest of rural development. Going beyond these facts, as rural developers endeavor to attract industry to their communities, local people need to be prepared to take advantage of new job opportunities. They need not only to be trained, but also to be physically and emotionally fit, and to have the health care resources readily available to keep themselves in topnotch condition.

Moreover, a small community that provides readily accessible health services finds this an asset as it tries to attract new industrial development. As its human service levels decline, the community is likely to have less and less economic viability. And without a promise of economic growth, the community may find it ever more difficult to attract and keep professional health workers.

Potential for community college

The community college, as well as other educational institutions, has a natural role in helping communities meet this dilemma of maintaining health services to support and contribute to individual health and to community viability and growth. The role is natural in terms of their inherent educational purposes since learning *by* living is certainly among the best possible ways to learning *for* living.

The role is also natural in terms of the educational institution's responsibility as a *community* institution. Many schools are now starting to extend their campus to the

community—becoming, in fact, part of the community that has given them *space*, but not always a real *place*, in the past. Both the school and the community have much to learn, one from the other, and the learning process can be facilitated if the school listens to the community and starts working with it toward solutions of some of its real-life problems.

Health service role of medical schools

Among our larger educational institutions, medical students have been in the forefront in recent years in breaking out of institutional walls. Sometimes the faculty has taken leadership. Sometimes it has had to be dragged in, more or less reluctantly. As the process of wall-breaking occurs, it provides new relevance for the school, and new excitement for both students and faculty. The work involved at times seems overwhelming, but the satisfaction of helping a local community meet a health challenge usually more than compensates for the effort.

Service roles are natural for medical students, dental students, nursing students, and other young health professionals. The national student groups—with or without official participation by their schools—are now exposing students to the challenges and rewards of helping to organize and operate health service projects for such disparate rural areas as the hills of Appalachia and the rich agricultural valleys of California where the seasonal farm-worker population ebbs and flows with crop operations.

Area health education centers

In his 1971 Health Message, the President built on the concept of extending health training to the community. He called for "a series of new Area Health Education Centers . . . in places which are medically underserved . . ."

These centers might be built around a group of community hospitals or clinics already in existence. Each would provide a valuable teaching center for new health professionals and paraprofessionals, a focal point for the continuing education of experienced personnel, a base for health manpower planning, and a base for providing sophisticated medical services which would not otherwise be available in these areas.

As the health education center concept develops, some of the activities might well be carried out on community college campuses and in the communities of which these colleges are part. The community college campus might be the setting for some of the formal continuing education activities for experienced physicians, nurses, and other health personnel. It might also be the setting for the training of new health professionals, with the local curriculum developed in company with the larger institutions where the students will continue their education.

A further role that many community colleges are now carrying out is in training health technicians and aides whose special training may require 2 years or less. For this purpose, the curriculum might be mutually agreed upon by health science schools, health providers, and local colleges

as a consortium so that the persons trained will be able to practice their skills wherever they happen to be. Local welfare offices, hospitals, nursing homes, and laboratories may be places where student technicians and aides can contribute to local services as part of their training.

On-the-job training or further specialized training for those already in skilled and semiskilled health activities may also be a part of the community college's role, working with other health science schools and health service institutions. In some cases, the training of paraprofessionals might be divided among several colleges with each assuming responsibility for a special aspect or type of training.

A byproduct of local training is the likelihood that some students will remain in the community. With their understanding of the community they may be better able to respond to community needs effectively.

Community education for local residents as health care consumers

Not only for professional and paraprofessional health workers but also for community residents in general, the community college has an educational role. Pilot projects now getting started in four States are based on the belief that the "greatest untapped manpower resource in this country is the individual consumer. Needed is an informed and 'activated' citizen who can take his own initiative in personal health—approaching and utilizing the health care system properly for all services required in his personal health management program."

The four pilot projects propose a broad program of consumer health education to inform and to motivate people—

1. To learn how and what one may accomplish by self-help without or prior to calling on the formal health care delivery system.
2. To have greater concern for personal health.
3. To take positive steps to prevent illness occurrence; to prevent progression of minor illnesses; and to prevent dependency through rehabilitation following catastrophic illness.
4. To provide better understanding of the changing health delivery system and how to obtain access to it most effectively and efficiently.

With the general deficiency of health services in most rural areas, this type of consumer health education is of great importance. As the pilot projects develop they will provide guidelines for community colleges and other educational institutions in a leadership position in rural areas.

Education in health planning

In addition to the possibilities of consumer health education, eight community colleges are now participating in consumer training for health planning. The purpose is to provide consumers the sophistication they need to participate actively in all phases of health planning. The objectives of Public Law 89-749—the Partnership for Health legislation—can only be realized as knowledgeable consumers join with providers of health services in factfinding and planning

for the delivery of health care in our Nation's communities.

Twenty-two additional schools, distributed all over the United States, provide graduate programs for professional health planners. Most of these schools provide field experience for their students with local health councils and boards, local agencies, or other local organizations.

Assistance in community organization

Where community health planning bodies already exist, a community college may now be among the groups representing rural communities of their area. In any case, the planning group will be a ready channel for identifying opportunities for community colleges to assist in health resource development. If no such planning body is serving a particular rural segment of a State, a community college may be able to initiate steps to form one with the help and advice of the State Comprehensive Health Planning Agency. The Governor of every State has designated a comprehensive health planning director whose name can be obtained from the Governor's office. Even if outside funding is not available, it may be possible to form a planning group.

Community organization effort is never easy. Seldom is staff available to think through all the alternatives, collect all the facts, and do all the other things that need to be done. The community college may be able to help significantly with the overall rural development community organization process, including organization for health purposes. Factfinding, planning, and identifying and relating to available resources and services within and outside the community are only a few of the health related activities in which faculty members and students can be helpful. Such activities can lead not only to such conventional outcomes as term papers that fulfill academic requirements but also to the accumulation and updating of information and material that will help to provide the factual basis for meeting immediate community needs.

Education regarding health issues

Many health issues are now on the horizon. As examples: (1) How can health services be made truly accessible to all our people, accepting the assumption that now seems fairly generally accepted—that health care is a *right*, not a privilege? (2) What are the pros and cons of the many existing plans and proposals for financing personal health services—insurance plans, Medicare and Medicaid, health maintenance organizations, and the variety of national health insurance proposals? (3) How can people such as migratory farmworkers be served? (4) What about the rural community that once had a physician but now has no prospect of getting another?

Establishing a setting in which an educational approach can be applied in the local discussion of such issues may be one of the most important roles a community college can perform in the near future. Only with such discussion can decisions be based on logic rather than emotion.

Upgrading the quality of community life

So far we have discussed faculty and student involvement in direct health service, education of new health workers and continuing education of those already at work, involvement in community health planning and organization, and involvement in community education as among the rural community development potentials of the community college. These do not complete the list. Among the most frequent reasons for the rejection of rural community practice by physicians is the fact that they and their wives and families find the small community lacking in many of the amenities they have learned to enjoy. They find the small community without the type of schools they would like to have their children attend, without adequate libraries, and without recreational and cultural opportunity. Even young people who originally came from rural areas often get acquainted with the larger opportunities of an urban setting, while they spend long years getting their medical education in a large population center. Especially if they marry in the city, turning back to life in the place they came from may be unacceptable.

The community colleges can work with small communities to help them see themselves as outsiders see them. They can help tie several small communities together—help them overcome the provincialism that has kept units of government so small that they are ineffective in our present complex society. They can help them develop educational, recreational, and cultural resources—not just like those in the city but perhaps even more enjoyable in some respects if they provide an opportunity for participation by all residents of the community. Outlets of this kind may also be a meeting ground for new professionals and local residents so that people really learn to know each other and are not separated by professional distance.

Of course, there may be something new “going” for the small community at present as some people start rejecting

the fast pace, the pollution, and the crime of cities and look longingly at the more peaceful flow of life in the small community. But don't expect miracles! To become attractive enough to induce the young physician or nurse to enter rural practice, or to encourage industrial development, the small community will need to look at many facets of health and other community services with quite different “eyes” from those it has used in the past. It will need to use all the resources at its command both from within and from outside the community.

Some of the resources will be familiar and others, new. They include local and State extension service staff; other resources of the land-grant university; educational institutions concerned with training for the health professions including schools of public health; areawide and State comprehensive health planning agencies; local, district, and State medical societies and health departments; libraries; public and private financing systems to support personal health care; the regional and central offices of the Department of Health, Education, and Welfare; regional commissions; and many others.

Ideally, it might be good for local governmental units to combine to form units large enough to provide the “critical mass” of people, tax base, and other resources to support an adequate basic level of health and other human services. A more easily achieved alternative is voluntary intercommunity cooperation.

The community college can be a key group if not the nucleus for such an expanded community development process. As it adjusts its curriculum and teaching process to its enlarged community role, it will establish many new relationships. Its new role and relationships will enrich the school and the learning experience it can offer its students; it will make the school more relevant to the community; and it will help the community itself become a better place to live for people who have been there all the time, as well as for newcomers.



PLANNING FOR AREA DEVELOPMENT— ROLES OF FEDERAL, STATE AND LOCAL GOVERNMENT

PLANNING AND EXECUTION IN AREA DEVELOPMENT PROGRAMS

*By Lee R. Kolmer, Director
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The titles of the several panels of this program reflect some of the needs and concerns of rural America: Transportation, health service, education and training, and loss of population. Each of these panels is exploring the implications of these problems—higher cost per capita for Government services, some institutions too small to provide adequate services, personal costs to the individuals because of inadequate health and educational inadequacies, and a general decline in the vitality of rural community life.

To some extent the Federal Government and State governments recognize the size, nature, and implications of this problem. Some, but not all, of our leadership see the linkage of the rural development issue and our urban problems. Some leaders see the issue as solely an economic problem with the solution being a higher level of commodity prices. Some leaders see only the social side and

direct their attention to revitalizing the community institutions. Both issues are very important but, in my judgment, they are parts of the whole.

If this is the case we must begin to set out some specific objectives for area development. These could include:

1. Increasing per capita income of rural residents.
2. Improving the structure and capacity of rural community institutions.
3. Increasing the capacity of the rural community to provide improved economic and social opportunities for their residents.

There are undoubtedly other objectives that are very important; this list is not all inclusive. However, if we make significant progress toward these objectives I believe we will have assisted in providing a climate that is favorable for achieving additional objectives. None of us, as outsiders, can "do" area development in a specific community. We can assist local residents by providing educational opportunities, investment funds and technical services; however, the development process and the decisions associated with this process can only be accomplished by the residents.

As decision makers, local leadership is seeking ways whereby they can achieve one or more of the stated objectives. Many of them are quite well aware of the complex nature of the problem and the nature of the types of interaction that take place in a community. They see the need for concerted action on several fronts in order to build a "critical mass" of activity that will foster further development. They are becoming more aware of the array of agencies, both State and Federal, which have been given responsibility in this effort. They know that, unless there is some input from outside the community, it is extremely difficult if not impossible for the local leadership to orchestrate this combination of State and Federal agency assistance to the community in order to achieve maximum impact. To me this means that State and Federal agencies, local educational and action agencies, and local government must do some joint planning if they are to reduce slippage and frustration.

The "rural development committee", composed of Federal and State agencies at the State level, is one vehicle that can be used to assist in this planning. The involvement of the Soil Conservation Service, Agricultural Stabilization and Conservation Service, Forest Service, Economic Development Administration, Farmers Home Administration, Consumer and Marketing Service, the Governor's Office, State Forest Service, and the Extension Service provides a means for more effective planning of agency activity associated with area development. The mere fact that there is regular communication among the agencies is beneficial; however, this is not enough. The district and county rural development committees provide additional opportunities for joint planning and concerted action. While this is helpful it is also limited in its scope. Each of the agencies involved has a primary mission that is related to but not solely concerned with area development activity. Each of the agencies has a history of activity that influences their future course of action. Each has limited funds with specific constraints placed upon the use of those funds. These limitations do not prevent agency leadership from

engaging in joint planning but they do very seriously reduce the flexibility needed for effective area development.

If we wish to improve our effectiveness at the local level, I believe:

1. We need improved coordination and liaison among city and county government, State and Federal agency offices, local and district educational and service organizations and lay leadership. This is, in my judgment, not adequate at the present time. Not because the need is not recognized but rather that the resources are not available to perform this function. I believe this coordinating and liaison function must be very carefully done—it must truly be assistance in coordination rather than coercion. If the effort is viewed as a means of coercion of local leadership it will fail. For this reason I believe it should not be associated with a fund granting agency or a regulatory agency. Rather it must be an educational and communication function among all of the actors in the scene. The staff person in this role must have access to and the respect of each of the organizations involved at the local and State level. If we are to have effective planning and area development I believe this is a necessity.
2. We need to establish a more specific and visible incentive for improved planning at the local level. We can and have done a creditable job of working with local people in identifying the problem areas and examining the possible alternatives. As these alternatives involve funding from the traditional agencies that have staff and offices at the local and State level, local leadership can make these needs known and forward their request through the channel. While there never seems to be enough to meet all of the priority needs, there is a channel and a recognition of need and priority by the agency involved. This is not however the case with many of the problem areas in rural America. Many of the needs fall outside the traditional agency responsibility—health care, transportation, law enforcement, etc. The channels for assistance in these cases may be available but are not very visible in many cases. In some cases the rural area development priority seems to come rather far down the list in these agencies. I know there is national concern for these problems but I don't think we have done a good enough job of getting this concern reflected at the local level.

In my judgment we could make a beginning in providing better incentives for planning if a fund were established that was dedicated for rural area development in toto rather than dedicated to a very specific activity or program. In other words, I believe we need some very flexible dollars that can be linked together with current program dollars in a way that will permit us to implement plans on a broader scale than we have heretofore. If such funds were available we could also involve more of the local talent and organizations in rural development activity. Commitment and good intentions are needed but commitment can only be exploited if we have resources to utilize that commitment.

I believe we have made significant progress in planning for rural area development; Federal, State and local agencies are more and more aware of the need for joint planning continuing communication. However, I do not believe we will achieve as much as we can and must achieve in rural areas until and unless we do a better job of devising funding systems which will permit local programs to move together on a broad front. By this I do not mean that there should not be accountability or that there should not be rigorous evaluation of plans and execution. This is necessary and must continue. However, I would hope that in the future the accountability and evaluation would be structured in a way that the total development activity is examined as a unit rather than examining the components as separate entities with little or no regard for the complementary nature of other activities.

In conclusion, I would say that joint planning will become increasingly important for effective rural development. At the same time improved vehicles for moving from planning to execution must be devised if we are to have substantial impact on improving the quality of life in rural America.

THE FEDERAL GOVERNMENT AND AREA PLANNING

*By Robert T. Murphy
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It is a pleasure to join you at this conference on rural development and especially to take part in this panel on area planning. In my judgment, this interdisciplinary subject area is becoming increasingly important in the United States. Here we are dealing with institutional evolution; we are experimenting in political science and in public administration, and we are testing theories and evolving empirical knowledge in the field of economics. We are clearly in a transition and learning situation. This status makes area planning interesting and exciting; it also makes it frustrating at times since there are at present no clear-cut answers to many problems. If it is true that in "area planning" we are observing an important phase of national institutional growth, the subject well merits the attention of social science thinkers and practitioners.

My colleagues on the panel are well qualified to address our topic from the vantage point of State and local governments. My role, as I see it, is to try to define the role of Federal Government in area planning.

For some 30 to 40 years now, the Federal Government has in fact been planning and taking action to influence the economy of the United States as a *geographic whole*. You may recall that as early as 1923 the then Secretary of Commerce, Herbert Hoover, recommended Federal deficit spending to offset the recession of the early '20's. The Great Depression, of course, brought massive Federal intervention in the national economy, together with a general acceptance of the Keynes thesis that fiscal policy should be used to balance the business cycle. In the Depression, fiscal policy was manifested as deficit spending. However, as most

analysts now tend to agree, it was not the economic actions of the 1930's but rather the Second World War with its greater massive deficit spending which in fact brought the Great Depression to an end.

This background, of prolonged depression solved only by a major war, brought thinking in the United States to the position where the Employment Act of 1946 was passed. This Act committed the Federal Government to achieving three national goals: Maximum employment, economic growth, and price stability. To help accomplish these goals two major economic institutions were formed: the Council of Economic Advisors to serve the President, and the Joint Economic Committee to serve the Congress. The record from 1946 to the present shows our various Presidents seeking to implement the Employment Act, albeit with differing emphases and a variety of economic tools. President Truman fought inflation by budget surplus, credit restriction, and a rise in interest rates. Prior to the Korean War he had to fight slow growth, while during the conflict itself he had to impose economic controls to control potential inflation. President Eisenhower fought inflation by monetary and fiscal policies, particularly by trying to decrease Federal expenditures. President Kennedy preferred the use of wage-price guidelines to attack inflation, while President Johnson explicitly addressed himself to sustained and increased economic growth and used substantial tax cuts for this purpose. President Nixon's New Economic Policy, in its various Phases, is basically his response to the goals of the Employment Act, but with a recognition that major changes in the economic structure of the U.S. economy may be occurring.

All of this is to say that: (1) The Federal Government has major national economic roles which it alone can fulfill; (2) A formal commitment to a growth policy with maximum employment and price stability was made 25 years ago; and (3) The Federal Government has since 1946 been performing this "macro" economic role, with different emphases at different times, and with a variety of tools.

Subsequently, during the 1950's and 1960's the Federal Government also became much more heavily involved in specific functional programs. The Manpower Development and Training Act and the Economic Opportunity Act were major thrusts in this direction. A wide variety of programs to assist education, urban planning and housing were brought into being. Programs of Federal assistance to State and local governments were initiated. The number of such functional programs is, in fact, almost impossible to identify accurately. A tabulation prepared by the Advisory Commission on Intergovernmental Relations placed the number of such programs at 379 about 4 years ago.

In summary, by the late 1960's the Federal Government has broadened its involvement in the national economy from the *macro* role, as foreseen by the Employment Act of 1946, to include a wide variety of specific functional programs.

However, by the middle 1960's it was also quite apparent that a new dimension in Federal economic intervention was required—there was need for greatly increased emphasis on sub-national economic planning, that is, geo-

graphic or area planning, on a multi-functional basis. Specifically, a need was identified to focus on at least three levels: Urban and rural multi-county areas, State and multi-State geographic areas.

As you will note from the census maps displayed migration patterns over the last 10 years differ drastically from county to county and from region to region. Vast areas of the country are experiencing outmigration or limited growth while relatively limited areas of the country are experiencing population growth at or above the national average. You will note from the Economic Development Administration's "Qualified Areas" map that poverty in the United States is concentrated in certain locations. Yet, you will note that outmigration and poverty correlate poorly. In other words, while there is a wide variety of sub-national economic problems, each of these problems has its own area of occurrence.

Local, State and Federal Governments have responded by establishing geographically determined institutions through which multi-functional planning can be accomplished. Refer to the Department of Commerce map entitled "Development Planning Areas of the United States." Generally, this map shows the many multi-county planning jurisdictions established at that time by State and local governments. Remember also that the States themselves are assuming the task of statewide, multi-functional planning, and that State planning is currently undergoing a rapid evolutionary process. The Federal Government in turn has recognized this need for sub-national planning in a variety of acts, such as the Public Works and Economic Development Act and the Appalachian Regional Development Act, both of 1965. Thus, under the ARDA and under Title V of the Public Works Act, multi-State planning commissions have been established as shown in the map "Economic Development Regions." Under the Public Works Act and under the counties, States and multi-county aggregations are also eligible for Federal planning assistance.

In short, the United States has moved from simple national geographic planning to multi-level geographic planning in 1971. There is increasing emphasis on integrating functional economic (and other) programs by planning on a geographic basis, at the county, multi-county, State and multi-State level. Incidentally, the current discussion on revenue sharing with its implied decentralization of planning authority is one clear manifestation of this emphasis on sub-national planning. While there are, of course, differences of opinion on the how's and what's of revenue sharing itself, there appears to be broad agreement throughout the country that much greater authority in planning for, and using Federal funds should be vested at appropriate sub-national levels.

My theme in short is that the Nation is currently undergoing a period of transition, with greater and greater authority being delegated to and assumed by sub-national units. This is an exciting time since we are witnessing rapid evolution in political, management and economic science. Institutions and hypotheses are being created and tested, and a strong base of experience is being assembled. However, as in all periods of transition there are many more

questions being asked than answered and I would venture that neither political, management, nor economic science have made much more than a good start in supplying theories and solutions. Accordingly, in the discussion today with you people who are concerned with planning at the local level, I suspect that the members of the panel will be looking to you for answers rather than attempting to answer questions for you.

ROLES AND GUIDELINES— AN OUTLINE

By Jerry Ogburn
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Roles of Federal, State, and Local Government in Planning for Regional Development

1. Emphasis to be placed on an increased importance of State Government as a coordinator between Federal programs and local needs.
2. Need for a new attitude toward rural development.
3. State governments and regional councils of local governments—as sub-State agencies should be strengthened.
4. Terry Sanford, former Governor of North Carolina in "Storm Over the States":
 - Governor as chief planner of the State—power to implement.
 - State governments as laboratories for inputs to Federal and local levels—"creative tensions"—experiment with new ideas in regional planning and development.
 - Need for a unified planning and management agency—perhaps in Governor's office—to coordinate all other State agency planning efforts—OMB at State level—Program Budgeting.
5. Attitude toward rural development—needs to shift from viewpoint of working for "man on the farm"—regional and community *development*. Plan for positive growth, reversal of past trends of decline—rather than attitude of prolonging a slow death. "No Growth" Policy—change.
 - *Example*—Proposal to State Clearinghouse for 87 miles of 2-inch water line in rural but urbanizing county in Kansas City Metropolitan Region.
 - Built-in obsolescence
 - "No Growth" Policy—continued decline.
 - Points to need for statewide development policies—*say what you're trying to do about population distribution and then do something* (experimental).
 - Balanced Growth Policy.

Preliminary Guidelines for Balanced Growth Policy

1. Offer a Range of Alternative Locations and Encour-

age the Wise and Balanced Use of Physical and Human Resources

- Encourage diversity in employment, housing types and costs, cultural, recreational, and education opportunities.
 - Encourage local acceptance of regional planning and development—pooling of regional resources and talents; *encourage development of "regional communities."*
 - Recognize inefficiencies of a too diffuse distribution of financial resources—concentration of effort in a *few towns* may be more effective in stimulating change than thinly distributing funds—development priorities.
 - State-chartered land development agencies.
 - State development agency—N.Y.
2. *Foster economic strength in all parts of States and help reverse the trends of migration and physical growth which reinforce regional disparities*
 - Recognize existing growth centers and rural new communities' potentials (Housing and Urban Development Act of 1970).
 - County or regional development proposals—emphasize.
 - Some communities no longer have a viable function to perform—should assist in making transitions.
 3. *Treat comprehensively the problems of poverty and employment*
 - Educational programs in rural communities—vocational education; regional junior college systems comparable to opportunities in more populated areas.
 - Clinics, hospitals, health-mobiles—comprehensive health facilities on a *regional basis*. Community health centers tied to regional hospital system.
 - Land-grant colleges—informational and educational needs of low-income groups—urban and rural.
 - Encourage training of personnel in health and welfare services—*local self assistance*.
 - State—opportunity centers in local areas—guidance to low-income, minority, elderly.
 4. *Encourage good housing for all*
 - Housing and home maintenance deficient in rural areas—high cost of construction.
 - Look at improved housing stock as component of increased economic potential.
 - Increased emphasis on *action programs, rural demonstration housing projects, cooperative housing*, eliminating philosophical differences, and competing programs among various Federal programs.
 - Legislation allowing countywide or regional housing authorities—multi-site development/efficiencies of scale—*management cooperative efforts*.
 5. *Revitalize Existing Communities and Encourage Rural New Community Development*

- Strategic location of vocational schools, junior colleges, health facilities, State offices, highway improvements—*State*.
 - Appropriate procurement policies can assist balanced development—*State*.
6. *Strengthen the Capacity of Governmental Institutions*
- Emphasis placed on general units of government and avoid special districts (schools, roads).
 - More involvement of local, county and regional units in formulation of State goals and policies for development.
 - State should encourage intergovernmental agreements among local and county governments to undertake large-scale development projects (water, sewer, housing, industry).
 - Procedures at State level—systematic review and updating of State development policies—prevent arbitrary administration—checks and balances.
7. *Encourage Desirable Patterns of Urban Growth, Prudent Use of National Resources and Protection of the Physical Environment*
- Preservation of natural and scenic attractions.
 - *Countywide land-use controls—regional consistency in zoning ordinances, subdivision regulations, and industrialized building codes, State inputs.*
 - Formal mechanisms should be established to insure close coordination between State and regional planning agencies and those agencies concerned with environmental protection. Assist in the implementation of a Statewide development and growth policy. *States should.*
 - Investigate carefully the *Housing and Urban Development Act of 1970*—potentially strong tool for implementation—coordinated development of metropolitan developments, rural growth center expansions, and independent new communities—**ECONOMIC STIMULI.**
- Finally—need to develop an action-oriented policy for rural development—not stagnation; positive steps toward a "Quality of Life" in rural areas.

